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PROGRAMME PLANNING

COUNTRY, INTERCOUNTRY AND GLOBAL PROGRAMMES

Implementation of selected country programmes

AFRICA

Report of the Administrator

SUMMARY

The present report provides an overview of the situation in the Africa region in 1989 and describes the main programme and financial trends, both for the programme in Africa as a whole and for the regional programme and approximately half of the country programmes. The last 11 of the 45 fourth cycle programmes in the region were approved by the Governing Council at its thirty-fifth session in June 1988, and in the course of 1989 24 country programmes and the regional programme underwent mid-term reviews.

A number of encouraging trends are reported, both at the overall and the individual programme levels. The consultative processes, long a feature of the Africa programmes, entered a new plane with the consultation in April 1989 with the ministers of planning of African States on the main thrusts of UNDP assistance to Africa. Resources available for the fourth cycle increased by more than 19.81 per cent and overall programme commitments and deliveries rose to new heights.

CONTENTS

	<u>Paragraphs</u>	<u>Page</u>
I. INTRODUCTION	1 - 2	3
II. MAIN TRENDS	3 - 14	3
A. Trends in the politico-economic context	3 - 6	3
B. Trends in programme management	7 - 13	4
C. Trends in programme content	14	6
III. FINANCIAL PERFORMANCE	15 - 20	7
IV. COUNTRY PROGRAMME PERFORMANCE	21 - 39	11
A. West Africa	22 - 27	11
B. East Africa	28 - 31	14
C. Central Africa	32 - 36	16
D. Southern Africa	37 - 39	18
V. REGIONAL PROGRAMME PERFORMANCE	40 - 50	20
VI. MODALITIES AND MANAGEMENT ACTIONS	51 - 55	23
A. Programme implementation modalities	51	23
B. Programme management actions	52 - 55	24

I. INTRODUCTION

1. The present report on the implementation of the Africa programme of the United Nations Development Programme (UNDP) in 1989 was prepared in accordance with Governing Council decision 81/15 of 27 June 1981. There are at present 45 programmes of UNDP assistance, including the regional programme and one programme each for Namibia and the African national liberation movements recognized by the Organization of African Unity (OAU). The Council approved 34 of the programmes in 1986 and 1987; the remaining 11 were approved in 1988. This report therefore covers a period during which most programmes are in their second or third year of implementation, and 24 country programmes and the regional programme have been subjected to the new mid-term review procedures.

2. The report covers the major trends in the region in 1989, financial performance, programme performance and modalities of implementation. A separate report submitted to the Governing Council on the role of UNDP in the implementation of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 (UNPAAERD) (DP/1990/30) covers the following programme aspects in greater depth: consultations with African Governments on policy trends; policy planning and co-ordination initiatives including the round tables, the National Technical Co-operation Assessment and Programmes (NATCAPs), the newly approved regional planning approaches project and the structural adjustment management projects; resources flows which contribute to the goals of UNPAAERD; and Technical Co-operation among Developing Countries (TCDC), women in development, and various other elements. The Administrator will also be presenting separate but related reports to the Governing Council on the following other items relevant to the Africa regional programmes: assistance to national liberation movements (DP/1990/29), the Namibia indicative planning figure (IPF) (DP/1990/37), the Transport and Communications Decade in Africa (DP/1990/32), present and future role of UNDP in the field of refugee aid and development (DP/1990/66), and selected mid-term review reports, for Ghana (DP/1990/38/Add.5), Zaire (DP/1990/38/Add.6), and the Regional Programme for Africa (DP/1990/38/Add.9).

II. MAIN TRENDS

A. Trends in the politico-economic context

3. Economic performance in some African countries improved in 1989 but was still not sufficiently even and widespread to reverse the persistent decline in living standards. The region's overall output - gross domestic product (GDP) - grew by 2.9 per cent in 1989, compared with 2.4 per cent in 1988. But with population growth rising faster, average incomes still fell by 0.3 per cent; the present GDP per capita is estimated by the Economic Commission for Africa (ECA) at \$565 as compared with \$854 10 years ago.

4. As in 1988, much of last year's improved output was attributable to exceptionally good weather conditions. Despite some incidence of drought and the continued threat of locusts in some areas, the agricultural sector overall grew by

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3.1 per cent in 1989, up from 2.8 per cent in 1988. Agriculture's strong performance had a spill-over effect on manufacturing, much of which relies on agricultural inputs. ECA estimates that manufacturing output rose by 4.9 per cent in 1989, up from 4.3 per cent in 1988. Mining also registered growth, in fuel and minerals, with output up 2.4 per cent, but less than the 3.2 per cent of 1988. Reduced investment expenditures and structural weaknesses prevented many countries from taking full advantage of generally buoyant market conditions.

5. An upturn in oil prices helped to raise export earnings for the region to an estimated \$67 billion, up from \$57.7 billion in 1988, but imports also rose to \$76 billion in 1989 from \$69 billion in 1988. The improvement in commodities income was not evenly distributed - cocoa prices were down nearly 17 per cent and robusta coffee down 12.5 per cent, leading to severe income losses for exporters. Losses on account of adverse movement in the terms of trade were \$1.2 billion. With only modest increases in aid flows, poor private-sector flows, continued capital flight and a continued heavy debt-servicing burden, net resource flows from Africa in 1989 were again negative, estimated at \$5.5 billion compared with \$5.8 billion in 1988. Growth of 3 to 4.5 per cent is predicted for 1990 by ECA, the major variables being the weather, the economic trends in developed countries, the export performance, and further debt reduction and rescheduling. The debt service burden for the region is at present over \$30 billion a year.

6. Some 32 of the 43 countries in the region are now in various phases of policy realignment and economic institutional reform. Those countries undertaking structural adjustment with the Bretton Woods institutions have benefited from a significantly increased flow of external resources over the past few years. However, the short-term effects of these structural adjustments continued in 1989 to be the subject of considerable debate. The World Bank and ECA both issued major assessments, differing in some respects, but there was a general consensus that the social consequences of adjustment were proving incredibly costly in human terms and that social factors should be taken much more into account. ECA presented its African Alternative Framework to Structural Adjustment Programmes for Socio-Economic Recovery and Transformation to the General Assembly for endorsement (resolution 44/24); the major elements of the Framework consist of precise roles for the State to play and more emphasis to be placed on the social dimensions.

B. Trends in programme management

7. UNPAAERD-related activities will be reported on separately to the Governing Council, as indicated in paragraph 2. For the sake of completeness of this report, it is accordingly only briefly mentioned here (a) that in April 1989, major consultations on the policy thrusts of UNDP's programme took place between the African ministers of planning and the UNDP resident representatives in Africa; (b) that UNDP organized one round-table meeting for Sao Tome and Principe and eight sectoral follow-up meetings, and participated in five consultative group meetings organized by the World Bank; (c) that it sustained 10 ongoing NATCAP exercises and, for interested countries, initiated a further 11; (d) that UNDP's policy initiatives, strongly endorsed by the ministers of planning, continued to increase

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and expand; (e) that women-in-development, TCDC and disaster management activities continued to be supported; and (f) that private sector workshops held in the region now number 100 in total.

8. Two important legislative decisions in 1989 of the Governing Council (decision 89/20 of 30 June 1989) and the General Assembly (resolution 44/211 of 22 December 1989) correspond closely to the broad policy thrusts encouraged by the African ministers of planning, and the Regional Bureau for Africa (RBA) will participate in 1990 in the organization-wide reorientations involved in responding to those decisions.

9. In 1989, the third year of the cycle for most country programmes, RBA was the subject of its regular mid-term programme review, as were 22 of the country programmes. As separate reporting on this issue indicates, the reviews proved very useful in terms of fine-tuning and sharpening the programmes as most of the component projects begin to produce results, and led in most cases to improved implementation and co-ordination modalities and to key decisions on resource allocation for the rest of the cycle.

10. Environmental management activities at the country level were as follows. Country programmes have long reflected certain environment priorities of African countries, often through large-scale projects, in particular in conservation of natural resources and wildlife management, as well as in combating drought and desertification. Following the adoption of General Assembly resolution 42/186 of 11 December 1987 on the Environmental Perspective to the Year 2000 and Beyond, the Toronto Conference on the Changing Atmosphere (27-30 June 1988) and the Oslo Conference on Sustainable Development (9 and 10 July 1988), the Administrator requested all resident representatives to embark on a more systematic approach to environment and sustainable development at the country level. A first step was to be the organization, in collaboration with each Government, of workshops aiming to raise the level of general awareness on environmental issues, to identify policy instruments available, and to suggest actions to be taken to promote sustainable development. Several countries have already undertaken activities in this respect and some have now started to formulate environmental assessments or action plans. External assistance was provided not only from UNDP, where resources permitted, through the country programme, but also from the United Nations Environment Programme (UNEP), the International Union for the Conservation of Nature (IUCN) and the World Bank.

11. In various countries UNDP itself initiated a workshop or a meeting, while in others it joined forces with the World Bank, and sometimes IUCN, to mount a more comprehensive exercise. Activities have been reported for Botswana, Burkina Faso, the Central African Republic, the Congo, Ghana, Lesotho, Mauritius, Madagascar, Nigeria, Rwanda, Swaziland, Zaire and Zimbabwe. Others were under preparation in Chad, the Niger and Rwanda. Also at the country level, activities benefiting the environment can now be undertaken through the Africa 2000 project, which supports non-governmental organizations (NGOs) and community groups in activities directed to a better environment. Regional environmental management activities are described in section V of this report.

12. With regard to management capacity enhancement, by the end of 1989 14 of the countries in the region had received Management Development Programme (MDP) identification missions, and follow-up activities had already been approved for five countries. MDP activities are being reported on separately to the Governing Council at the current session (see DP/1990/23), and so are not dealt with here in detail. Details are, however, provided on the Special Action Programme for Administration and Management (SAPAM), a multilateral-bilateral funded programme which for several years has very usefully been assisting African Governments to make a diagnosis of the management of their public sector, to programme technical co-operation and policy measures to address problems in the public sector, and to mobilize funding for these programmes/projects. Projects developed by SAPAM exercises are at present being implemented in Botswana, Burkina Faso, Guinea-Bissau, the Niger, Swaziland, the United Republic of Tanzania and Zambia, funded from various sources, such as the Netherlands Trust Fund for Public Administration and Finance, UNDP/IPF, and UNDP/Special Measures Fund for the Least Developed Countries (SMF). In 1989 diagnostic/programming exercises were sustained or initiated in Lesotho, Kenya and Cape Verde. For follow-up projects developed in these countries, funding is sometimes also available from UNDP/MDP. SAPAM is providing a forum for the discussion of conceptual issues and the co-ordination of efforts to strengthen public sector management of the different agencies participating in SAPAM: UNDP, the World Bank, the International Labour Organisation (ILO), the Department of Technical Co-operation for Development (DTCD), ECA and the African Development Bank. Agencies are actively participating in the diagnostic/programming missions. A regional SAPAM project has now started to collect, analyse and disseminate information on administration and finance in Africa and to encourage the dialogue among the Governments and groups involved.

13. Finally, brief reference is made here to the advent of Namibia as the forty-third independent country in the sub-Saharan region and the various arrangements made to open a field office and fund an expanded programme to take effect in 1990; to various joint community-based activities with the United Nations Capital Development Fund (UNCDF) and the United Nations Sudano-Sahelian Office (UNSO); to support for the regional preparations for, respectively, the World Conference on Education for All (March 1990) and the Second United Nations Conference on the Least Developed Countries (September 1990); and to the review of two important decades for Africa, the Second Transport and Communications Decade in Africa, and the Second Industrial Development Decade for Africa.

C. Trends in programme content

14. In 1989 approximately half of the country programmes and the regional programme passed through their mid-term reviews and the Regional Bureau for Africa intends, in mid-1990, to synthesize the main findings and conclusions of all of the reviews. The reports now received confirm a high degree of Government leadership and of agency involvement in the process, and, in some cases, donor involvement. Common elements to most of the reviews, in addition to those to which the mid-term review overview document (DP/1990/38) refers, might be summarized as follows:

(a) A continuing upward trend in the priority accorded to the strengthening of national policy-making, planning, and development management capabilities;

(b) A continuing increase in activities relating to aid co-ordination - requests for NATCAPs are now being acted upon for more than half of the countries in the region;

(c) A continuing increase in activities relating to the management of the Structural Adjustment Programme (SAP) - especially its social dimensions and the enhancement of national capabilities for SAP design and negotiations;

(d) Some integration within the programmes - "mainstreaming" - of various policy initiatives of recent years: private sector, environmental management, women in development, NGO/grass-roots support, and other initiatives well received;

(e) Some integration into affected countries' national planning and management processes of disaster-management measures;

(f) A definite increase in attention directed to issues of institutional management, capacity-building and long-term sustainability;

(g) Issues raised, and to some extent addressed, relative to expert recruitment and quality, supply of equipment, geographical placement of fellowships, and post-project sustaining of recurrent budgets;

(h) Related to the above, a tendency towards more TCDC, more use of African experts and consultants, and more use of Government execution;

(i) Maintaining of programme and project momentum, pressure to achieve high commitment levels, and measures for immediately accommodating additional resources when made available;

(j) Finally, very definite financial pressure on some programmes which have achieved exceptionally high levels of commitment.

For a comment on the sectoral trends revealed in table 2, see paragraph 16.

III. FINANCIAL PERFORMANCE

15. Table 1 shows the sources of the fourth cycle programmable resources which, with the inclusion of the full (100 per cent) supplementary allocation to the IPFs, were estimated at \$2.141 billion as of February 1990. This figure is roughly twice the allocation for the third cycle and an increase of nearly 50 per cent over the resources originally estimated as being available immediately prior to the start of the fourth cycle. The trust funds referred to include the Netherlands Trust Fund for the Special Action Programme for Administration and Management (SAPAM), the Africa 2000 Network, and the Africa Management and Training Services Project. The IPF resources are allocated as follows: 18 per cent to the regional programme and 82 per cent to the country programmes, of which approximately half goes to the 25 LDCs.

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Table 1. Total programmable resources for Africa programmes

(Millions of United States dollars)

<u>Source</u>	<u>Third cycle 1982-1986</u>	<u>Fourth cycle 1987-1991</u>
IPF: Fourth cycle and supplementary 100 per cent	971	1 412.0
Carry-over from third cycle	<u>4</u>	<u>78.9</u>
TOTAL, IPF ENTITLEMENTS, FOURTH CYCLE	<u>975</u>	<u>1 490.9</u>
Other: SMF, SPR, SIS, Add-on	66	39.3
Cost-sharing: Government and third party	76	78.5
Government counterpart cash contribution	<u>2</u>	<u>1.5</u>
Subtotal	1 119	1 610.2
Trust funds	<u>79</u>	<u>57.0</u>
TOTAL, MAIN PROGRAMME RESOURCES	<u>1 198</u>	<u>1 667.2</u>
UNDP-associated funds: Africa component:		
UNCDF	..	94.0
UNSO	..	100.0
UNIFEM	<u>..</u>	<u>15.0</u>
Subtotal	<u>..</u>	<u>209.0</u>
Management services and special programme	<u>..</u>	<u>265.0</u>
GRAND TOTAL, UNDP AND ASSOCIATED RESOURCES	<u>..</u>	<u>2 141.2</u>

16. Table 2 shows the main programme resource allocation by Administrative Committee on Co-ordination (ACC) sector. It shows a 6.9 per cent increase in the fourth cycle to agriculture, forestry and fisheries, and a 10.2 per cent increase to development management, policy and planning. Both these sectors have increased very slightly (1-2 per cent) in 1989, with very slight corresponding declines in industry, transport and communications, employment, education, and science and technology. The above trends were predictable and have been reported on in the context of the mid-term reviews.

17. Table 3 portrays resource allocation by project size, which shows the trend towards larger projects. For the most part only projects over \$700,000 are required to be submitted for approval to UNDP headquarters in the fourth cycle as compared to projects over \$400,000 in the third cycle, which has resulted in a decrease in the headquarters-approved projects (down from 52 to 34 per cent) for the region and a corresponding increase in field office-approved projects.

18. Table 4 shows a declining trend in resource allocation to experts, consultants and sub-contracts (a decrease of 12.9 per cent since the first cycle), and an increasing trend in resource allocation to training (an increase of 6.6 per cent since the first cycle). The real decline in experts, consultants and sub-contracts is, in fact, much more significant than the percentages quoted because of sharply rising costs for these elements.

19. Table 5 shows the increase in resources allocated to national execution. The number of projects under national execution increased from 109 in 1984 (\$7.3 million) to 213 in 1989 (\$33.0 million) under funding from the main programme resources. The allocation by agency approximately mirrors the allocation by sector in table 2.

20. Table 6 shows the upward trend in programme delivery which started in 1985 and sharply increased in 1986 and 1988, predictable for, respectively, the last year and the second year of a cycle. The very positive trend overall resulted from intensive financial management practices sustained by the field offices, the executing agencies and the Regional Bureau for Africa. Prior to the decision of the Governing Council at its special session in February 1990 to release the remaining 25 per cent of the supplementary IPF allocation (decision 90/3), approximately one quarter of the programmes were under considerable financial pressure. Given the current approval rate and the size of the pipeline, prospects for sustaining an overall upward trend in future years are excellent. Special attention will continue to be devoted to the few programmes in the region which are experiencing programming difficulties of one sort or another.

Table 2. Main programme resource allocation by sector
(Percentage)

<u>ACC economic sector</u>	<u>1982-1986</u>	<u>1987-1991</u>
Agriculture, forestry and fisheries	22.6	29.5
Development management, policy and planning	15.2	25.4
Transport and communications	10.9	9.8
Natural resources	12.3	9.1
Industry	10.0	8.3
Employment	7.1	6.8
Education	7.3	4.9
Science and technology	4.5	3.1
Others	10.1	3.1
TOTAL	<u>100.0</u>	<u>100.0</u>

Table 3. Programme resource allocation by project size

<u>Size of budget</u> (United States dollars)	<u>Number of projects</u>		<u>Percentage</u>	
	<u>1982-1986</u>	<u>1987-1991</u>	<u>1982-1986</u>	<u>1987-1991</u>
700 000 plus	(928	953	(51.7	33.2
400 000-700 000	(867	(1 914	(48.3	(66.8
000 000-400 000				
TOTAL	<u>1 795</u>	<u>2 867</u>	<u>100.0</u>	<u>100.0</u>

Table 4. Programme resource allocation by input component
(Percentage)

<u>Component</u>	<u>1982-1986</u>	<u>1987-1991</u>
Personnel	56.6	54.2
Sub-contracts	9.2	8.4
Training	10.6	14.0
Equipment	16.7	17.0
Miscellaneous	6.9	6.4
TOTAL	<u>100.0</u>	<u>100.0</u>

Table 5. Programme resource allocation by executing agency
(Percentage)

<u>Executing agency</u>	<u>1982-1986</u>	<u>1987-1991</u>
National execution	3.1	3.6
FAO	23.7	26.3
UNDTCD	16.7	14.3
ILO	8.8	9.4
World Bank	4.3	7.8
UNDP/OPS	5.7	7.0
UNIDO	7.9	6.7
UNESCO	7.4	3.6
ECA	2.6	3.0
Others	<u>19.8</u>	<u>18.3</u>
TOTAL	<u>100.0</u>	<u>100.0</u>

Table 6. Programme delivery of resource allocation

<u>Resources</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
Millions of US dollars	206	160	144	167	208	225	275	310
Percentage increase	-	(22.3)	(10)	15	24.6	8.1	22.2	12.7

IV. COUNTRY PROGRAMME PERFORMANCE

21. Approximately half of the country programmes in the Africa region are assessed in this section. The selected programmes include 6 in West Africa, 4 in East Africa, 6 in Central Africa and 3 in Southern Africa, making in total 19 for 1989. All of the other country programmes in the region, reported on last year (DP/1989/28), will be reported on again next year. All of the country programmes for the fourth cycle were in their second or third year of implementation. Two of the programmes were the subject of mid-term reviews in 1988 and a further 22 in 1989. The outcome of four of these has already been reported on to the Governing Council and a further two - Ghana and Zaire - will be reported on to the Council at its thirty-seventh session (DP/1990/38/Add.5 and Add.6). Some of the other programmes not subject to mid-term review were the subject of annual reviews.

A. West Africa

22. Benin. The fourth country programme for Benin (1988-1992) (DP/CP/BEN/4) was approved in July 1988 and has been making some progress in meeting its objectives. The country has recently signed an agreement covering its first structural adjustment programme with the Bretton Woods institutions. Benin inaugurated a successful NATCAP exercise in 1987; a follow-up technical phase is now well along in the planning and implementation stages. Several projects have been formulated

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to respond to the country's current difficult economic situation: aid co-ordination, assistance to the Ministry of Planning, decentralized villages, food storage systems, and promotion of employment and small and medium-scale enterprises. The latter two were recently approved; the others were under technical scrutiny at the time of writing. The assistance to the Ministry of Planning is designed to enhance institution-building and management capabilities. The mid-term review is now scheduled for June 1990, after the arrival of the new Resident Representative. The mid-term review should see decisions leading to greater IPF resource commitment, which should be facilitated by the outcome of the Constitutional Conference (representing all political persuasions within the country) held from 19-24 February 1990. Major programme emphasis is presently focused as follows: (a) economic management and planning: a \$US 3 million project for assistance to the Government; (b) employment promotion: incoming-generating activities as well as projects to assist the national strategy on food security; and (c) education: Benin has a pilot project for education management in the Africa region with priority on primary education. Major efforts are also being devoted to creating the proper legal and economic climate to attract private investors, and three private sector meetings have now been conducted.

23. Côte d'Ivoire. The fourth country programme for Côte d'Ivoire (1987-1991) (DP/CP/IVC/4) has three main objectives: first, to further rural development and agricultural production; secondly, to promote industrial and commercial development (including small and medium-scale enterprises); and thirdly, to assist the reform and strengthening of the public administration. The mid-term review took place in December 1989. It found the country programme to have continuing validity and relevance to the priority technical assistance needs of the country, and to be having a positive impact on targeted sectoral development. The mid-term review also endorsed the flexibility and adaptability of the programme, expressed the need to improve co-ordination both by the Government and by the United Nations system, and identified such difficulties in the implementation of the programme as the qualifications and availability of national personnel, the mobilization of government contributions, and the delays experienced in the formulation, approval and launching of new projects. The review recommended: (a) that more attention be paid to the social sectors and the social implications of projects, and to the interaction of the programme with the Structural Adjustment Programme; (b) that specific action be taken to ensure the effective transfer of know-how from international to national project personnel; (c) that all parties concerned improve their performance in project execution; (d) that the Government resolve any outstanding impediments to the NATCAP exercise, which is considered useful and extremely relevant; (e) that more information be circulated to executing agencies and government departments on the country programme; and (f) that the Government pursue the progressive internalization of the programme. UNDP initiated and organized a very successful seminar on the private sector in 1989. The recommended follow-up actions are currently being implemented.

24. Guinea. The major directions of government policies are unchanged; the initiatives undertaken are linked with the overall intention of assuring the passage from an extremely centralized economy to a market economy. The country programme (DP/CP/GUI/3) is in harmony with this trend; one should note the essential role of certain projects in this context, notably that of the

UNDP/DTCD-executed project for administrative reform, of which the Phase II focus has been reinforced in order to give the Government a more efficient administration, less top-heavy and more responsive to the demands of a liberal society. The mid-term review late in 1989 led to the decision to establish a new direction for the next cycle in terms of promotion of the private sector. In reference to the protection of the environment, it is worth noting the good progress of the watershed management project demonstrating ways to protect the tributaries of the Fouta Djallon - a positive evaluation of this project, as well as other UNDP-assisted Fouta Djallon projects, was made by an evaluation mission in November 1989; and also, a new project was approved for the protection of the Nimba Mountains environment in the context of the future exploitation of iron ore reserves. The present NATCAP process should lead to a triennial programme to be executed in parallel with the next public investment programme commencing in mid-1990. Commitments were up to the financial ceiling as of the end of 1989.

25. Niger. A mid-term review of the fourth country programme for the Niger (DP/CP/NER/4) was held in November 1989, which confirmed its continued validity and relevance in accordance with the Five-Year Development Plan (1987-1991) and the Structural Adjustment Programme. Emphasis was endorsed for macro-economic planning; for sectoral planning; and for creation of employment opportunities for those who voluntarily leave the civil service - a component of UNDP's wider involvement in mitigating the social impact of structural adjustment in African countries. Increased participation of women in decisions on development issues has been given due attention throughout the year. In August 1989 the Government set up a mechanism for aid co-ordination assisted by UNDP. An evaluation of the round-table process was carried out by UNDP and the conclusions were presented by the Government to the donor community in October 1989. Three seminars were held as follow-up to the round-table meeting on the private sector. Building on past experience, further UNDP assistance has been provided in two key areas: planning, utilization and management of ground-water resources; and multi-purpose forest management and reafforestation. Following a round-table meeting on transport and communication in October 1988, UNDP in 1989 undertook economic feasibility studies, executed by the World Bank, on road sections for which donors have expressed investment interest. UNDP also undertook the strengthening of the national capacity to develop the mining potential in the Liptako area. The preparation of the fifth cycle programme will be preceded by an evaluation of the ongoing programme in May/June 1990. The fifth cycle programme preparation will start with the Resident Representative's note in September/October 1990, and the final document will be ready for submission to the Governing Council in February 1992.

26. Senegal. The third year of the current country programme (DP/CP/SEN/4) was marked by continuous and co-ordinated efforts by the Government and UNDP to increase the commitment of IPF funds addressing the five major objectives of the country programme. Several new projects have been approved, including four large projects requiring the approval of the UNDP Action Committee. These efforts have brought the commitment/expenditure level in Senegal up to an acceptable level: by 31 December 1989 the commitment was 90.3 per cent of the IPF available for the five-year programme, and the estimated IPF expenditure for 1987-1989 was 58.5 per cent of the total for the cycle. In parallel with these efforts, further intensive project formulation work has continued. At the time of writing, further

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project proposals were under consideration by the Government, executing agencies and UNDP headquarters. Among them was one for implementing population policy which was formulated using the Project Development Facility mechanism in close co-ordination with the World Bank and the United Nations Population Fund (UNFPA). UNDP's operational activities in Senegal have so far been developed in accordance with the recommendations of the annual country programme review of November 1988. The "Report on Programme Execution" prepared in December 1989 for the forthcoming mid-term review stated that all major decisions of the annual review had been implemented. For example, as recommended, the use of national expertise had been increased from 1987 to 1989 in man-months from 100 to 271 and in costs from \$115,000 to \$327,000 per year. Following the incidents between Senegal and Mauritania of April-May 1989, a UNDP-co-ordinated inter-agency United Nations mission prepared a short-term emergency assistance programme for reinsertion of returnees. At the request of the Government, UNDP financed a small project, "Emergency Assistance to Commissariat for Repatriated and Displaced Persons", to meet the urgent needs in formulating a medium-term reinsertion programme starting in 1990, to be submitted at the donors' conference early in 1990. The total of the affected population in Senegal is estimated at 150,000 people, including repatriated (90,000 to 92,000), refugees (40,000 to 45,000) and displaced persons (13,000 to 15,000).

27. Sierra Leone. The annual review of the fourth country programme for Sierra Leone (DP/CP/SIL/4) in April 1989 confirmed the validity and relevance of its development objectives and sectoral priorities. However, increased emphasis was laid on two objectives: food self-sufficiency and grass-roots participatory development. These will receive a higher percentage of the funds remaining for this cycle. With regard to the first objective in the country programme, support for public sector management and planning, priority will continue to be given to projects which assist the Government in structural adjustment and reinforcement of the capacity to manage activities receiving bilateral and/or multilateral assistance. Negotiations with the Bretton Woods institutions which broke off in 1987/88 were resumed from the end of 1989, and UNDP is in the process of assisting the Government in the key ministries and institutes, including the Ministry of Finance, the Ministry of Planning and the Central Bank. UNDP has given particular attention to the forestry sector in the light of the need for providing fuel wood, preventing erosion and preserving the environment for sustained agricultural production. Documentation has been prepared for a sectoral round table on tropical forestry. UNDP has assisted in the introduction of primary education reform; in this area, women are very much involved through parents' organizations set up for each school. Five private sector meetings have so far been held.

B. East Africa

28. Comoros. The third country programme for the Comoros (DP/CP/COI/3) was approved by the Governing Council at its thirty-fourth session (1987) with the following major objectives: (a) food self-sufficiency and increased food security, (b) improving living standards, (c) promotion of productive employment and training, and (d) strengthening of national structures for planning and economic management. Many of the projects which had commenced during this or the previous

cycle were either ended or reformulated in 1989, but no new projects were launched as all IPF resources were almost completely committed. To keep the programme going, assistance from other sources of financing was sought. The previous planning project was ended and a new master plan for strengthening planning capacities and economic management was formulated and was due for approval early in 1990. It was to be funded by MDP. A report was prepared by the Division of Information on the key role to be played by the United Nations Volunteers' IPF-funded project. Four private sector meetings have now been held in the Comoros. A new project for assistance to small and medium-scale entrepreneurs was formulated and was being considered for funding from the Special Measures Fund for the Least Developed Countries (SMF/LDC). The activities of the important rural development project were extended with joint financing from the Emergency Operations Trust Fund (EOTF) and SMF/LDC. Over 50 per cent of the programme activities in 1989 was devoted to assisting the Government in preparation and negotiations for a Structural Adjustment Programme which should be approved in the second quarter of 1990. The resources were almost completely committed and a mid-term review of the programme was to be held in April-May 1990.

29. Kenya. There were no major changes in the Government's National Development Plan or economic context in 1989. A meeting in preparation for the mid-term review of the fifth country programme (DP/CP/KEN/5 and Corr.1) was held from 13-16 September 1989, the main purposes of which were to sharpen the employment theme of the programme and to consider the possibilities for associated resources. Kenya has held two private sector meetings so far. A Mini-Consultative Group Meeting was held in Paris on 24 and 25 October. The purpose of the meeting was to seek donor support on the order of \$1 billion per annum over the period to 1992 to meet the current account deficit, debt obligations, balance-of-payments support requirements and programme financing. Extension of the country programme for a fourth year may be proposed to the Governing Council in June 1991 as it presents two major advantages: (a) it allows the synchronization of the fifth country programme with the forthcoming Seventh National Development Plan of Kenya, and (b) it allows more time for full commitment and delivery of the present cycle IPF.

30. Mauritius. The fourth country programme for Mauritius (DP/CP/MAR/4), approved by the Governing Council at its thirty-fourth session (1987), follows very closely the Government's objectives and priorities and is focused on the following major objectives: (a) improvement of national economic management, (b) promotion of industrial development and the adaptation of education and training needs to employment needs, (c) reinforcement of national institutions in the fields of infrastructure and communications, and (d) diversification of agricultural production. The mid-term review took place in February 1989 and both the Government of Mauritius and UNDP expressed satisfaction with the implementation of the programme as a whole. The projects which were identified at the time of the original formulation were still relevant and the additional UNDP allocation approved in July 1988 was to be used to assist the Government in achieving its objectives in the Development Plan 1988-1990 for industrial and vocational training, for the protection of the environment, and for development of Rodrigues Island. UNDP assisted the Government in organizing a donors' meeting on the Environmental Investment Programme in Paris in January 1989, and is co-ordinating the implementation of the outcome of the meeting. UNDP has also financed the

preparation and organization of the Donors' Meeting on the Human Resources Development Programme 1990-1993, to be held at Geneva in March 1990. As of 31 December 1989, almost all the IPF resources were committed with the implementation rate of the programme then estimated at 81 per cent.

31. Seychelles. The third country programme for Seychelles (DP/CP/SEY/3) was approved by the Governing Council during its thirty-third session (1986). The main objectives of the current programme are (a) improved development, planning and policy formulation; (b) increased agricultural production and standards; (c) creation of small-scale industries; (d) expanded transport support services; and (e) strengthened economic market control. The programme has been implemented smoothly and a mid-term review took place in February 1990. In view of the financial pressures on the programme, the Government and UNDP have been seeking associated funding. At the request of the Government of Seychelles, the responsibility for administration of UNDP programmes was shifted from the UNDP field office in Dar es Salaam to the UNDP office in Mauritius as of 1 January 1990.

C. Central Africa

32. Burundi. The continuing dependence of Burundi's economy on coffee exports makes its performance subject to the vicissitudes of the world coffee market. The fourth country programme for Burundi (1987-1991), approved in June 1987 (DP/CP/BDI/4 and Corr.1 and 2), particularly addresses this fundamental problem of Burundi's narrow-focused economic structure by promoting the expansion and diversification of its productive base in the medium term. The mid-term review, held in January 1989, confirmed the main thrust of UNDP in strengthening the productive base which is absorbing 47 per cent of IPF resources. Burundi has so far held three private sector meetings. UNDP assistance is also particularly dynamic in the economic planning and human resources development areas. In these fields co-ordination has been established between the implementation of the Structural Adjustment Programme, on the one hand, and the NATCAP exercise, on the other. Owing to the importance of external assistance to national planning, Burundi organized, with UNDP assistance, a round-table conference in April 1989 which resulted in financial indications amounting to \$312 million. As follow-up, specific meetings on rural development, technical assistance, private sector development, and Social Dimensions of Adjustment (SDA) are being organized.

33. Central African Republic. The Government is pursuing the implementation of its Structural Adjustment Programme with the aim of achieving by 1991 a real GDP growth rate of 4 per cent while at the same time improving the major macro-economic balances. The fourth country programme (DP/CP/CAF/4), approved in June 1987 for the period 1987-1991, assists the Central African Republic towards three main objectives: institution-building, human resources development, and production support. The main thrust of the programme is to assist in strengthening planning mechanisms, which is one of the priorities of the National Five-Year Plan 1986-1990. UNDP's assistance to this field has been recommended in the course of the NATCAP exercise and is co-ordinated with assistance provided by the World Bank as well as by bilateral donors. In the field of aid co-ordination, a round-table meeting was held at Geneva in June 1987, and four sectoral consultations, agreed

upon as follow-up, (Rural Development, Education, Transport and Small and Medium-scale Enterprises), will be held in 1990. The time frame and main objectives for consideration in the preparation of the fifth country programme will be presented and discussed at the mid-term review, which should take place in March-April 1990. The Central African Republic has so far held five private sector meetings.

34. Equatorial Guinea. In 1989, the Government continued its efforts to come to grips with the economic situation, without however changing its policies of structural reform, of increasing the agricultural base and of financial rehabilitation. A private sector workshop was held in 1989, and a follow-up meeting to the November 1988 Round-Table Conference was held at Malabo in November 1989. UNDP's central role in economic management assistance has been reaffirmed through increased inputs into planning, statistics, administrative reform and - as from 1990 - international aid co-ordination.

35. Gabon. The macro-economic balances of Gabon have increasingly deteriorated since 1986, owing to a sharp decrease in oil revenues. The main objective of the fourth country programme for Gabon (1988-1990), approved in February 1988 (DP/CP/GAB/4), is to assist in laying the foundations for promoting growth and competitiveness of the non-oil sectors. The mid-term review, held in May 1989, particularly addressed the question of strengthening UNDP's assistance to the implementation of the Structural Adjustment Programme, as well as the Government's continued co-financing of the country programme. The preparation of the Fifth Country Programme will start during the current year in order to be presented for approval in 1992.

36. Sao Tomé and Príncipe. During 1989, the Government continued its efforts to rehabilitate the economy and to strengthen the administration in order to comply with the conditions and bench-marks of its Structural Adjustment Programme. In March, UNDP assembled the principal multilateral and bilateral donors for a round-table conference in Geneva which resulted in indications for \$179 million. Sectoral consultations began in December and will lead to sectoral meetings before mid-1990. Progress has been gradual, and UNDP has been of critical importance in providing support in the management of the economy through assistance to the Ministry of Economy and Finance, including a blueprint for its reorganization into a more streamlined, effective body of public administration. The groundwork for a management development programme designed to address critical deficiencies in Government and public sector enterprises was laid; implementation will start in 1990, and NATCAP activities have also been scheduled to begin in 1990 during the second half of the year. The mid-term review held in November 1989 endorsed the stronger orientation towards economic management support that had been developed through joint Government/UNDP efforts during the year.

D. Southern Africa

37. Swaziland. The fourth country programme for Swaziland (1987-1991) (DP/CP/SWA/4) commenced during the last year of the Fourth National Development Plan (1983/84-1987/88), which outlined an economic strategy of (a) greater efficiency and control over the use of public funds; (b) stimulating private investment; and (c) creation of employment through vocational training programmes and the establishment of productive agricultural employment opportunities in the rural areas. The objectives were carried over to the current (1989/90-1991/92) rolling plan. A mid-term review in October 1989 confirmed the concurrence of its objectives with the Government's current rolling plan. Thus, the allocations of the bulk of IPF resources to agriculture, manpower development and public sector management retain their relevance and validity in support of the overall development objectives and strategies of the Government. A NATCAP mission undertook a review of Swaziland's technical co-operation requirements in 1986 and its report set out a number of measures to achieve improvement of the absorptive capacity of the public service and enhance the relevance and impact of technical co-operation. A follow-up NATCAP mission in March 1989 found most of the planned activities within the action plan completed. In a meeting organized by UNDP in August 1989, the Government and major aid donors reached agreement upon: (a) the creation of a new institutional focal point for aid management and co-ordination, the External Affairs Unit; (b) more effective monitoring of technical co-operation by the Department of Economic Planning and Statistics; (c) confirmation of medium-term technical co-operation programmes consistent with national development plans; and (d) the role of the Performance and Budget Committee, with greater coherence to be encouraged between capital and technical assistance. Also, the masterplan for the NATCAP was revised in 1989. A SAPAM project is assisting the Management Services Division of the Ministry of Labour. A United Nations Development Fund for Women (UNIFEM) project, Self-Help Scheme through the Provision of a Revolving Loan Fund for Women's Groups, is ongoing, and UNDP is finalizing the project document for a Phase III women-in-development project. A directory of NGOs in Swaziland is being prepared with UNDP assistance. UNDP is also funding two environmental consultancies to draft the terms of reference for the proposed National Environment Council and to identify technical assistance needs. The fifth country programme (1992-1996) is expected to be presented to the Governing Council in June 1992.

38. Zambia. When the fourth country programme (DP/CP/ZAM/4) was approved in June 1987, the Government of Zambia had just suspended implementation of the International Monetary Fund (IMF)/World Bank-supported restructuring programme and introduced its own new economic restructuring programme. The country programme was accordingly reviewed by UNDP, in consultation with the Government, as soon as the new restructuring programme took concrete shape in the Interim National Development Plan, July 1987-December 1988), and again in early 1989, with the introduction of the Fourth National Development Plan (1989-1992), in order to ensure that the programme objectives remained aligned to the priorities of the development plans. The mid-term review of June 1989 acknowledged that the UNDP programme as currently structured focused directly on the Fourth Plan's priority areas of agriculture, economic management, human resources development and export diversification. UNDP assistance in export diversification in Zambia is a new area, and is a direct

response to the objectives and priorities of the Fourth Plan. Some projects which do not fall strictly within the sectoral priorities of the fourth country programme were approved on condition that they (a) address common concerns shared by the Government and UNDP in areas related to the International Drinking Water Supply and Sanitation Decade, women in development and the acquired immunodeficiency syndrome (AIDS); (b) alleviate the hardships associated with the economic restructuring programme; (c) provide complementary technical assistance inputs to other donor assistance; or (d) encourage TCDC. The available IPF funds are fully committed and the Government has indicated its appreciation of UNDP assistance, especially at a time when other donor inputs have been scarce. The mid-term review also recommended future reviews to be held jointly with UNFPA and the United Nations Children's Fund (UNICEF) to ensure complementarity between programmes. UNDP initiatives in women-in-development and private sector development led the Government to request and receive technical assistance in drafting chapters on these two sectors for inclusion in the Fourth Plan: UNDP sponsored the visit of 10 local businessmen to Japan to continue the dialogue started in Zambia with a visit of Japanese business leaders. The mid-term review was reported on to the Governing Council at its special session in February 1990.

39. Zimbabwe. The mid-term review in late 1989 confirmed that the progress made in the implementation of the second country programme (DP/CP/ZIM/2) was highly satisfactory. When the country programme was presented to the UNDP Governing Council for approval in 1986, the Government had only marginally allocated its IPF resources. Therefore, the Council requested UNDP to conduct a special review to identify projects for inclusion in the country programme. Following the review, in July 1987, 27 projects were approved between 1987 and 1988 to arrive at a total of 77. Two major changes were then necessary to increase the effectiveness of the country programme. The first was to resolve the problem of project multiplicity by redefining project concentration areas, as the large number of relatively small project operations led to some management and monitoring difficulties. The second was to develop certain large-scale projects to increase management capacity, and greater self-sustainability in Government institutions. As a result, the Government and UNDP reduced the number of programme concentration areas from 6 to 3, reduced the number of projects in the country programme from 77 to 35, increased the number of large-scale projects from 0 to 4, and increased the level of commitment from 60 per cent to 102.5 per cent of the IPF. This process was assisted by the publication of the second volume of the National Development Plan, the Investment Register and Investment Code. The effect of narrowing the programme's focus is showing positive results. The mid-term review confirmed that the country programme continues to adhere to the original objectives, and that it is responding to priority developments in the economic and political fields. Its support for economic planning and management as well as reform programmes remains its greatest strength. It was also agreed that the programme has played an important role in providing technical co-operation to the Government in the formulation of development strategies and plans. While some planning and economic management projects may be small, they are important to the country's development process, and their impact goes beyond the investment of UNDP resources.

V. REGIONAL PROGRAMME PERFORMANCE

40. By 30 June 1989, the mid-point of the fourth cycle, the level of commitment of fourth cycle IPF funds had reached \$US 218.131 million from levels of \$18.213 million and \$94.571 million at the beginning of 1987 and 1988, respectively, and 97.9 per cent of the IPF commitment ceiling had been reached. A comparative analysis of the actual commitments at the half-way point of the cycle confirmed the continuing close adherence to the four main areas of concentration targeted in the fourth cycle regional programme document. The distribution was as follows: (a) research and development for food production, 14.0 per cent; (b) productivity and management for production of goods and services, 36.6 per cent; (c) natural resources, 13.0 per cent; (d) infrastructure (transport and communications), 22.6 per cent; and (e) other (including health, international trade, cultural and social dimensions), 13.8 per cent.

41. The findings of the mid-term review, described in a report of the Administrator (DP/1990/38/Add.9), indicated that the consultation process between UNDP and the African Governments, intergovernmental organizations, the Economic Commission for Africa (ECA) and the specialized agencies of the United Nations system that preceded the formulation of the programme had proved essential to ensure the relevance of the programme. None of the four areas of concentration was considered of reduced importance or secondary to the present needs of Africa.

42. Partners consulted in the course of the mid-term review reconfirmed the clear mandate of the Regional Programme for Africa to promote and strengthen regional integration and to set in motion permanent systems of interaction between institutions that perform specific economic and/or technical functions within a given region. During 1989, particular attention was devoted to working closely with intergovernmental organizations in order to enhance their credibility and viability as regional institutions supported by their member Governments. Following a series of three UNDP-sponsored seminars for senior intergovernmental organization staff in 1988-1989 on UNDP's philosophy and procedures, and following the approval of most of the pipeline projects of these organizations, totalling \$44.640 million, the relationship between UNDP and Africa has now entered a very constructive phase. Considering the importance of this relationship, a separate thematic evaluation of the intergovernmental organization regional programme component will be carried out in 1990, in the context of the overall programme evaluation, and reported on to the Governing Council.

43. In promoting economic integration, the Regional Programme has made a valuable contribution to the achievement of this objective in the transport and communications sector where a programme package of \$58.550 million has been approved, including \$11.314 million in 1989. The programme package includes management, utilization and maintenance of existing infrastructures, improved intra-African transport and communications links, developing and improving links for land-locked countries, and the development and upgrading of human resources capabilities in order better to plan, design, organize, implement, monitor, evaluate and maintain infrastructure capabilities.

44. Environmental management is a multi-sectoral issue which is addressed by many elements of the Regional Programme. In 1985, the first African Ministerial Conference on the Environment (AMCEN) decided upon the implementation of the Cairo Programme for African Co-operation, in line with Africa's Priority Programme for Economic Recovery 1986-1990, adopted by the Organization of African Unity (OAU) earlier that year. Regional priorities thus decided have been re-emphasized by the Kampala Commitment which resulted from the first regional conference convened on 16 June 1989 as a follow-up to the report of the World Commission on Environment and Development entitled Our Common Future. Regional priorities are reflected in UNDP-supported activities. Apart from the important programmes carried out with the United Nations Sudano-Sahelian Office (UNSO) and the United Nations Environment Programme (UNEP) to combat desertification, a large number of UNDP-supported regional projects involve assessment and monitoring of natural resources, in particular water resources such as rivers and lakes. The hydrological assessment project is now starting activities in central and west Africa subsequent to addressing the eastern and southern countries. Support to cartography and remote sensing has been given in the three existing regional centres, while an overall strategy is being developed in close co-operation with agencies providing support to countries in this field. Major projects have supported subregional meteorology and drought monitoring centres. Conservation of soil fertility is the subject of renewed efforts. Pest control and management, including locusts, and management of tropical forests continue to be strengthened. Assistance to water supply and sanitation should reach a new phase in 1990, with new approaches to rural water supply stressing community participation and self-reliance being disseminated, and workshops and a donor conference are programmed for the first half of 1990, to be organized in co-operation with the African Development Bank, the World Bank and other organizations involved in this sector.

45. Strengthening linkages between national and regional projects is a continuing UNDP objective in the Africa region. The concern to address the social dimensions of structural adjustment, for example, has provided an important example of this linkage. The major regional project, "Social Dimensions of Adjustment", has as its overall objective enhancement of the capacity of Governments to incorporate the social dimension explicitly into the design of national economic policy and development programmes. The overall project covers 29 requesting countries. At the regional level the project involves the development of a conceptual framework and the development of data bases. This framework was developed in 1989 at several workshops and seminars. At the national level, the project involves policy-oriented research, the development of social action programmes, and capacity building in the area of social policy and planning. Activities are already under way in some 16 countries.

46. The mitigation of short-term negative social consequences of economic restructuring is now a significant feature of a number of country programmes. The regional project, "Improving Strategies for Employment and Human Resources Utilization in Sub-Saharan Africa", is closely associated with various country programme initiatives. This project was instrumental, for example, in structuring a country programme in Kenya around the theme of employment.

47. The field of economic management is an area where regional and country initiatives have been linked through the Special Action Programme for Administration and Management (SAPAM). In 1989 a regional SAPAM project was approved to complement the country-level activities. In the related field of management development, a regional project was approved in 1989 to "Consolidate the Institution-Building Process at the Eastern and Southern African Management Institute (ESAMI)" in Arusha, United Republic of Tanzania, which has 10 member States and has as one of its main objectives to strengthen linkages and provide training to member national management training institutions. In approving this project, UNDP cited the example of ESAMI as an African intergovernmental organization which had "come of age" and had demonstrated capacity to be designated for national execution of this project.

48. Also in the same area of management, an innovative programme was approved in 1989, "African Training and Management Services Project". This \$12.2 million project, of which \$8.9 million is cost sharing, will provide training and on-site management services to African private and public sector enterprises. The project establishes an African Management Services Company (AMSCO), total equity to be jointly funded by the International Finance Corporation (IFC), the African Development Bank (AfDB), private sector corporations, and bilateral and multilateral finance institutions. AMSCO will second competent professional staff to companies considered to be commercially viable but lacking the management required to make them profitable. Together with the African Project Development Facility (APDF) sponsored by UNDP, IFC and AfDB, and a number of projects to promote small- and medium-scale enterprise development, a strong private sector support programme is in place.

49. Further innovative features of the Regional Programme include the configuration of a multi-disciplinary strategy to deal with women-in-development (WID) issues by pooling multi-agency institutional expertise for multi-sector development to promote production, beneficiary participation and networking. Also in place is an NGO programme package for building indigenous NGO grass-roots organizations and management capacities of regional and national umbrella organizations.

50. The fourth cycle Regional Programme for Africa will conclude in December 1991. The fifth cycle programme will accordingly be timed to take effect from January 1992, and the proposed programme will be submitted to the Governing Council for consideration and approval in February 1992. The fifth cycle programme will accordingly be formulated, for the most part, in the first half of 1991. During 1990 a timetable of activities will be developed, the parties to the present programme will be consulted, and the whole programme will be subjected to a programme evaluation. Specific projects and clusters of projects will be evaluated in depth, including the intergovernmental organization-executed component and the Social Dimensions of Adjustments (SDA) project referred to above, and reported on to the Governing Council.

VI. MODALITIES AND MANAGEMENT ACTIONS

A. Programme implementation modalities

51. Trends in implementation modalities will be systematically mapped out in 1990 as the overall assessment of the various mid-term reviews, evaluations of fourth cycle programmes, and surveys of modalities are completed. It is clear at present that, in the development and implementation of the fourth cycle programmes and projects, some strong trends are beginning to emerge. As first reported on last year, these include the following:

- (a) A greater degree of analysis of development problems in their wider context, and of consultation between the immediate parties to the programmes and the projects; this was evident in the mid-term reviews in terms of the analysis applied and, in most cases, the many parties involved, and also evident in the NATCAP, round tables, sectoral meetings, and consultative group meetings.
- (b) As an outcome of many of the mid-term reviews, a higher degree of concentration of the areas of focus for UNDP has emerged in many countries, resulting in fewer sectors and fewer but usually rather larger projects supported by UNDP. A trend towards multi-sectoral approaches, in support of agricultural and industrial production, in environmental resources management, and in grass-roots development and urban development, is becoming a major characteristic of the UNDP programmes in the region. More integrated single-sector approaches are also becoming a characteristic, for example in productive sectors where production, credit, training, research, and sectoral management are addressed as more of an entity.
- (c) The trend towards policy support and economic management activities at the sectoral and overall national levels - now representing one quarter of all of UNDP's delivery in the region, approximately \$100 million in any one year - also continues. Initiatives at both the regional level, such as Structural Adjustment Advisory Teams for Africa (SAATA), SDA and various UNDP-supported studies, and the country level have been referred to in previous sections.
- (d) There is a continuing trend towards greater association between technical assistance activities (essentially supported by UNDP) and financial assistance and capital assistance (as provided by the World Bank, the African Development Bank and the United Nations Capital Development Fund). For its part UNDP engaged in a number of exercises for the association of necessary capital with its capacity-building activities. The capital community for its part has moved towards a position of greater enhancement of capacity building in support of its capital investments. There remain, however, in most countries major problems of continued recurrent budget support necessary for payment of staff and procurement of materials and supplies.
- (e) Sustained trends towards the modalities of national execution, of the use of intergovernmental organizations as executing agencies, of the employment of experts, consultants and contractors from the region, and of the use of training institutions within the region as fellowship destinations, in contradistinction to

the long-standing and previously fairly automatic use of training institutions outside the region.

(f) A trend towards the use of workshops, at the regional and country levels, for the purpose of exploring new opportunities and breaking down barriers - in the case of UNDP, pioneered in a major way for the facilitation of private sector development, environmental management, participation of women in development, enhancement of non-governmental organizations, and all aspects of economic planning, policy-making, and development management.

(g) Finally, a continuing increase in the use of technical co-operation between developing countries (within the region, and with several major countries in other regions), Transfer of Knowledge through Expatriate Nationals (TOKTEN), and short-term advisory services. Being developed further in 1989 were new modalities for the implementation of disaster management activities, which are expected to be widely shared within the region in future years.

B. Programme management actions

52. Actions taken for the efficient management of the individual programmes in Africa and for the overall management of the programmes as a whole fall into two categories:

(a) Those which were newly initiated in 1989;

(b) Those which were initiated in previous years and continue as part of an annual cycle, to fine-focus the programmes, to ensure high levels of commitments and delivery and to monitor efficiently and report on progress and results.

53. Those major new actions taken in 1989 which fall into the first category, referred to in paragraph 52 (a), are as follows:

(a) In follow-up to Governing Council decision 88/24 of 1 July 1988, and subsequent to the five cluster meetings of African Ministers of Planning which UNDP convened late in 1988, a joint meeting - the first of its kind for UNDP in Africa, and perhaps in any region - of African Ministers of Planning and UNDP resident representatives in the Africa region was jointly hosted in Addis Ababa in April 1989 by UNDP and ECA. The joint meeting covered issues of structural adjustment, poverty alleviation and management development, and endorsed the approximately 50 conclusions on these issues reached at the cluster meetings. The report was submitted to the Governing Council as an information document at its thirty-sixth session (1989).

(b) Immediately subsequent to the joint meeting, a five-day meeting of the resident representatives and specialized agencies was convened to discuss programme management issues and issues relating to macro-economic management, emergency management, private sector promotion, and UNDP/agency relationships.

(c) On 10 May 1989, the Administrator of UNDP and the Regional Director for Africa participated in an inter-agency consultation, hosted by the President of the World Bank, to arrive at a consensus on approaches to structural adjustment in the Africa region for the future (see DP/1990/30).

(d) As reported to the Governing Council at its special session in February 1990, UNDP, in its role as one of the major organizing parties under the overall co-ordination of the United Nations Conference on Trade and Development (UNCTAD), initiated and financed various preparatory actions for the Second United Nations Conference on the Least Developed Countries, to be held in Paris in September 1990.

(e) The Regional Bureau for Africa (RBA) organized a two-day senior management retreat late in 1989, for the purposes of arriving at management decisions on the closer alignment or complete integration - "mainstreaming" - of the various initiatives in Africa with the Government-led programming processes that result in the country programmes, and of setting priorities for the development of internal field office and headquarters systems. Outcomes were factored into the Bureau's management plan for 1990.

(f) RBA drafted a 50-page booklet presenting a clear narrative description of the main thrusts of UNDP's support activities in the Africa region, copies of which will be made available to the Governing Council. A video production on the round-table process was set in motion. Also, a survey of field office publicity intentions was carried out, the purpose being to provide headquarters support to these efforts in the fortieth anniversary context in 1990.

54. Ongoing actions falling into the second category, referred to in paragraph 52 (b), are as follows:

(a) Mid-term country programme reviews were carried out in 22 countries, as previously described, and the findings were acted on in terms of adjustment, as appropriate, to programme and project management;

(b) RBA received approval from the Action Committee for 134 new projects and major project extensions, the combined additional funding involved being \$218.621 million;

(c) Individual project evaluations (over 100 in 1989) were organized and carried out, and the findings were acted upon at the project level;

(d) The Delivery Task Force of RBA continued to meet on a monthly basis, having before it financial information and programme management information, and the country-by-country budget build-up pattern was monitored with appropriate actions taken when indicated;

(e) Interchanges between RBA and the field offices, on the one hand, and the organizations of the United Nations system, on the other, continued at a high level, and significant meetings were held with representatives of ECA, the Food and Agriculture Organization of the United Nations (FAO), ILO, UNCTAD, the United

Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Industrial Development Organization (UNIDO) and the World Bank;

(f) Training seminars were organized at UNDP headquarters and in various field offices, covering three main areas: programme and project management; computers and information systems; and financial management and accounting, which involved a number of UNDP staff and Government staff requiring an understanding of UNDP policies and procedures;

(g) RBA continued to act on Governing Council decisions permitting increases in staff, initially economists but subsequently also other categories, both at UNDP headquarters and particularly in the field; by the end of 1989, 27 senior economists were in post in the field offices, and arrangements for a workshop early in 1990 were being made;

(h) In accordance with the report of the Administrator on the response of UNDP to emergency, medium- and long-term development requirements in Africa (DP/1988/65, para. 67) further steps were taken to provide requesting field offices, upon government licensing, with ground satellite stations for immediate communication with other points, and the E-mail system was established by additional field offices;

(i) The development of computerization and computer systems continued and, by the end of 1989, the Regional Bureau computerization ratio was one-to-one for computers to staff members.

55. Finally, various other regional initiatives described earlier in the present report have affected individual programmes. This trend is expected to increase in 1990 as the various recommendations of the African Ministers of Planning endorsed at the joint meeting in April 1989 are put into effect by the Regional Bureau for Africa.



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SUPPORT

PROGRAMME PLANNING

COUNTRY, INTERCOUNTRY AND REGIONAL PROGRAMMES

IMPLEMENTATION OF SELECTED COUNTRY PROGRAMMES

Arab States and Europe region, 1989

Report of the Administrator

SUMMARY

The present report, prepared in accordance with Governing Council decision 81/15 of 27 June 1981, highlights significant developments in programme implementation in the Regional Bureau for Arab States and Europe (RBASE) during 1989.

Information is presented regarding major developments and the status of the programme in 1989; the nature of the programme with breakdown by sector and spending types; the mid-term reviews of country programmes and regional programmes; reviews of selected projects; and special themes in the programme of technical co-operation (the environment, women in development, non-governmental organizations (NGOs), and the private sector).

CONTENTS

	<u>Paragraphs</u>	<u>Page</u>
I. INTRODUCTION	1 - 5	3
II. GENERAL OVERVIEW OF THE REGION	6 - 18	4
III. REVIEW OF COUNTRY PROGRAMMES	19 - 26	7
IV. REVIEW OF THE REGIONAL PROGRAMME FOR ARAB STATES	27 - 28	8
V. REVIEW OF THE REGIONAL PROGRAMME FOR EUROPE	29 - 31	9
VI. REVIEW OF SELECTED COUNTRY AND REGIONAL PROJECTS	32 - 40	10
VII. SPECIAL THEMES IN THE PROGRAMME OF THE REGIONAL BUREAU FOR ARAB STATES AND EUROPE (RBASE)	41 - 49	11

I. INTRODUCTION

1. The year 1989 was one in which dramatic developments in Eastern Europe, emergency situations in some countries within the Arab region, and increasing heed to the environment drew the particular attention of the Regional Bureau for Arab States and Europe (RBASE).
2. Of the 30 countries covered by RBASE, 6 are in Eastern Europe. The unprecedented social and political changes affecting most of these countries in 1989 had reached a crescendo by the end of the year, leading RBASE to develop a strategy for future action by the United Nations Development Programme (UNDP) in the area. This strategy is based on the mobilization of new additional resources in Eastern Europe, without diversion of resources intended for use in other countries or regions. It contemplates the development, in consultation with the new Governments which have recently come to power, of technical co-operation proposals concerned with human resource development and institution-building in areas critical to the transition from centrally planned to open market economies. In pursuing this strategy, UNDP offers the comparative advantage of its long record of relations with the Eastern European countries involving networking structures already in place, as well as its traditional political neutrality and central funding role.
3. The increasing concern of the Bureau for environmental issues was evidenced in March 1989 by the organization in Malta of the first UNDP regional workshop on the environment conducted exclusively for resident representatives. It was designed to heighten their awareness of environmental issues in the formulation and conduct of the programmes in their host countries. One result was the issuance of the "Malta Declaration on the Environment and Sustainable Development", which stressed the need to consider qualitative as well as quantitative aspects of development, and spelled out the elements which need to be considered in formulating and pursuing development strategies that safeguard the environment. The initiative of RBASE in organizing this workshop, which was but one part of a series of national workshops and other activities, was indicative of its strong leadership and concern in this area. Other aspects of RBASE activities relating to the environment are discussed in section VII of this report.
4. The gathering of all the resident representatives from the region in Malta also presented the opportunity for the discussion of important policy and operational matters, as well as for a management training workshop conducted by the Division of Personnel of UNDP. This was one of the first in a series of systematic management training exercises for resident representatives initiated by the Administrator throughout UNDP. As such, it was welcomed by RBASE, which was already in the forefront of efforts to introduce improved personnel management techniques in the organization.
5. Operating conditions in certain parts of the region have presented special challenges to UNDP during 1989, and pride can be taken in the effective role played by our resident representatives and field office staffs in assisting the Sudan and Somalia in coping with emergency situations in those countries. The readiness of

UNDP to take an active and sometimes crucial role in times of difficulty was also evident in its rapid response to the urgent appeal for help with a sudden, unprecedented outbreak of a livestock parasite infestation in North Africa which held the potential for widespread ecological catastrophe over large parts of the African continent.

II. GENERAL OVERVIEW OF THE REGION

6. In the current programme cycle, 1989 represented a middle year. It is natural, therefore, that the focus in RBASE shifted in the course of the year away from the start-up of programmes and projects towards the delivery, monitoring and review of technical co-operation activities, especially by means of the new procedures for the mid-term review of country programmes.

7. There was substantial improvement in delivery in RBASE in 1989, with a rise in indicative planning figure (IPF) expenditures estimated at 21 per cent, compared to 1988. Approval of RBASE projects by the Action Committee rose to a value of over \$77 million in 1989, an increase of 27.5 per cent over 1988.

8. This growth in approvals was accompanied by a trend towards an increase in the size of individual projects in the region, as demonstrated by the fact that the average budget for projects submitted to the Action Committee by RBASE rose from approximately \$1.124 million in 1988 to \$1.612 million in 1989.

9. The countries of the region benefited from the across-the-board increases in IPFs in 1989, with the result that the total resources available for programming in the fourth cycle in RBASE rose from \$337 million to \$349 million. The level of commitments against the IPF at the end of 1989 stood at \$328.5, or 94 per cent of available resources for the cycle. Of this, \$108.7 million represented actual expenditures for 1987 and 1988 - \$44.2 million and \$64.5 million, respectively. The balance of \$219.8 represented commitments signed for the balance of the cycle.

10. Without doubt the delivery rate for the region as a whole continued to be dampened in 1989 by the special situations in Lebanon and the Sudan. A reversal in the circumstances that prevailed last year in Lebanon slowed progress in the revitalization of that country programme. In the Sudan, emergency conditions prevailed throughout 1989, slowing the launching of a number of large projects. On the other hand, the latter half of the year saw the approval of some \$10.5 million in new budgets for projects critical to the launching of the integrated area development strategy which is the central feature of the Sudan country programme approved by the Governing Council on 1 July 1988 (decision 88/33). A higher and more satisfactory overall delivery rate for the region can therefore be anticipated for 1990 and onward.

11. The improved delivery in the region in 1989 was accompanied by increased integration between the leadership provided by resident representatives in the field and the support provided to them by headquarters. The frank and constructive discussions which characterized the internal operational meeting between the resident representatives and the senior management of the Bureau in Malta proved to be an important milestone in the development of this spirit of co-operation.

12. The Malta discussions also reinforced the initiative launched by RBASE in 1988 of encouraging the formation of subregional groupings among its resident representatives. These groupings correspond to the subregional ties and interests of the countries themselves, as exemplified by the grouping of North African countries referred to as the Maghreb. The periodic meetings of the resident representatives from these groupings have proved helpful on many fronts, not the least of which is the improved linkage between the activities sponsored by the regional programmes for the Arab States and for Europe and the activities sponsored by national IPFs. They have also offered RBASE a mechanism through which its activities can be more finely tuned to the disparate needs of countries in a region characterized by great diversity.

13. Further features of RBASE operations in 1989 were the increased integration of regional institutions in UNDP activities, increased reliance on national capacities in project implementation, and heightened dialogue on important development issues.

14. An example of the first feature was the arrangement with the Arab Fund for Economic and Social Development (AFESD) for the joint financing of regional and country projects. This resulted in 1989 in the launching of a jointly financed regional project to develop Arab centres for computer software development, another regional project to increase barley productivity in the Arab countries of the eastern Mediterranean littoral, and a jointly financed national water resource project in Jordan.

15. National implementation of UNDP projects in turn was increasingly important in such countries as Egypt and Tunisia, with Jordan and Morocco following close behind.

16. Many countries of the region likewise turned to UNDP in 1989 for active dialogue on important development issues, in the context of the mid-term country programme review exercises and through the use of the Management Development Programme (MDP) of UNDP for consideration of needed reforms in the management of the public sector. Mention should also be made of the meeting organized by RBASE of the Ministers of Planning from eight Arab African countries in Tunis in May 1989 for the review of progress on the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 (PAAERD). This meeting laid the basis for an improved permanent dialogue between the ministers and UNDP, and provided guidance to the Bureau on the future role of UNDP in assisting the Arab countries on the African continent.

17. The year 1989 saw no major trends away from previous patterns in the distribution of resources by sector within the region. While the concern throughout the developing world with issues related to structural adjustment and debt management was reflected in RBASE by a rise in the percentage of resources allocated to general development issues, policy and planning from 14.2 per cent in 1988 to 18 per cent in 1989, the allocation to other major sectors remained within normal ranges of variation in 1989 in comparison to the previous two years. The breakdown by percentage among the most important additional sectors in 1989 was as follows: agriculture, fisheries and forestry, 18.4 per cent; industry, 13.7 per cent; natural resources (including water), 11.7 per cent; transport and communications, 10.7 per cent; and science and technology, 10.1 per cent.

18. An analysis of the allocation of resources within the region by project budget component, however, does indicate some trends developing regarding the use of UNDP resources for personnel, training and equipment. As will be seen from the table below, a longer-term downward trend in the allocations for project personnel in the region remained intact in 1989, with that component accounting for less than 45 per cent of project budgets compared to over 55 per cent in 1987. This trend is consistent with the decline in the use of long-term experts in UNDP projects elsewhere, and in turn reflects the growing sophistication in the needs of many of the middle-income and other countries of the region. The parallel rise in the allocations for equipment, from 19.1 per cent in 1987 to 25 per cent in 1989, is likewise a reflection of the growing sophistication of needs in the region, while remaining well within reasonable norms. The modest upturn in allocations for training, from 12.3 per cent in 1987 to 15.6 per cent in 1989, is a natural corollary to the downturn in long-term experts, and as such is also consistent with the broader trends for the organization as a whole.

Table

Percentage of RBASE expenditures/budgets* by major component,
1987, 1988 and 1989 (IPF and cost-sharing)

Component	1987	1988	1989
		(Percentage)	
Personnel	55.5	47.8	44.7
Subcontracts	9.3	7.1	10.5
Training	12.3	12.9	15.6
Equipment	19.1	29.1	25.
Miscellaneous	3.5	3.1	4.
Other	.3	-	.2
TOTAL	100	100	100
Cost-sharing as share of total	30.8	20.4	23.6

* Based on expenditure figures for 1987 and 1988, and on budget figures for 1989; data as of 17 January 1990.

III. REVIEW OF COUNTRY PROGRAMMES

19. As the third year in the programme cycle, 1989 saw the first round of mid-term country programme reviews undertaken in accordance with the new procedures introduced by UNDP in response to the request of the Governing Council at its thirty-fifth session (decision 88/17 of 1 July 1988). A number of reports on the mid-term reviews of specific country programmes, as well as other papers on the mid-term review process, have been submitted to the Council. In the case of RBASE, summary reports on the mid-term reviews in Saudi Arabia (DP/1989/73/Add.8) and Algeria (DP/1990/12/Add.1), as well as on the review of the Regional Programme for Europe (DP/1990/12/Add.7), have thus far been submitted. The summary report on the mid-term review for Egypt will be submitted to the Council at its thirty-seventh session (DP/1990/38/Add.4). In addition, through December 1989, copies of the full reports for the mid-term reviews in the following countries from the region were made available to members of the Council through the Division of External Relations of UNDP: Albania, Algeria, Bulgaria, Democratic Yemen, Djibouti, Hungary, Iraq, Saudi Arabia and Tunisia. The report of the review of the Regional Programme for Europe was likewise made available. Reports on the reviews for the remaining countries from the region will be made available to the Council as the reviews are conducted and the reports reach headquarters in the course of 1990.

20. Although 22 out of the 30 countries covered by RBASE have IPFs below \$10 million, it has been the policy of the Bureau that mid-term reviews nevertheless be undertaken of these programmes, even though such reviews are not strictly required. It has also been the policy of the Bureau that the reviews be conducted to the extent possible by the Governments themselves, with the support of UNDP. This has in fact been the practice, with the result that the requirements of the guidelines regarding the format of the reviews and the resulting reports have in some cases been modified to models deemed appropriate to local circumstances by the Governments concerned. It soon became apparent, for instance, that the application of the full requirements for such reviews and their reports could not reasonably be expected of those Governments whose cost-sharing contributions were larger than their IPFs, or where there were no resident representatives.

21. Analysis of the reports of the mid-term reviews thus far conducted in RBASE indicates that the results were consistent with conclusions drawn about the reviews for UNDP as a whole. While in no case did the reviews of any of the country programmes in the region result in changes in the course of a programme of sufficient magnitude to merit resubmitting it to the Governing Council, they have facilitated various changes in emphasis within country programmes where necessary and appropriate. For instance, the review in Algeria provided the opportunity for the Government to emphasize certain thematic concerns relating to economic reforms introduced after the approval of the country programme, which it wished to have taken into account in the further formulation of projects with the remaining resources of the country programme. Likewise the review in Bulgaria allowed the Government to direct the limited remaining resources of its country programme towards environmental concerns which had not been given as high a priority previously. At the regional programme level, the review of the Regional Programme for Europe similarly resulted in increased emphasis on energy and environmental concerns, while remaining within the overall priorities established at the outset for the programme.

22. The reviews in the region also by and large reflected a reconfirmation of the value of the country programme as an effective technical assistance and pre-investment instrument to support the development efforts of the host countries. It remained, however, an instrument which in most countries fell short of its potential as a meaningful framework for mobilizing non-IPF resources from within or outside of the United Nations system.

23. The reviews which have thus far taken place in the region did not reveal any striking instance of the realignment of a country programme as a result of an intervening structural adjustment programme or other major macro-economic management framework put into place since the country programme was approved. This was not surprising, given the relative lack of such programmes among the countries of the region thus far reviewed, and the fact that the reviews in the Eastern European countries preceded the recent political and economic changes in that area.

24. Several of the reviews resulted in agreement on follow-up actions. For example, in Djibouti it was agreed to pursue a review of macro-economic issues and the need to strengthen the Government's administrative capacities through the Management Development Programme of UNDP, subject to the continued funding of that programme. In Democratic Yemen, a more systematic periodic review of the status of the country programme and issues regarding its implementation was established between the Government and the UNDP office. The review in Tunisia resulted in agreement to conduct a prospective study of the profile of Tunisia's technical assistance and pre-investment needs, as well as in-depth evaluations of the country programme and the experience with and prospects for national execution in the country. In turn, the review of the Regional Programme for Europe recommended that networking be generalized as the modality for implementing the programme, as it was believed to be a more effective and less costly way of mobilizing national capacities within self-sustaining regional structures.

25. Another follow-up action was the development by the Bureau, based on the experience gained with the mid-term reviews, of a framework for use by resident representatives in developing the draft UNDP advisory notes for the fifth cycle country programme exercises.

26. Overall, the mid-term review process in RBASE in 1989, while time-consuming and a considerable additional burden for a Bureau with limited human resources covering a very diverse range of countries, was found to be a positive addition to the tools for the management of the country programmes. It has been a learning experience, and the quality of the review process can be expected to improve with time. As final responsibility for the reviews must continue to be primarily that of the Governments, it is important that the procedural and format requirements for the reviews remain sufficiently flexible to allow adaptation to local realities.

IV. REVIEW OF THE REGIONAL PROGRAMME FOR ARAB STATES

27. As the current Regional Programme for Arab States was approved only at the thirty-fifth session of the Governing Council (decision 88/33 of 1 July 1988), 1989

represented the first full year of its implementation. Efforts have therefore been concentrated on the formulation and start-up of new projects, with strong emphasis on the use of UNDP resources to create networks for the transmission of technical know-how between centres of excellence in the Arab countries and between them and European institutions. Emphasis was also given to the integration of regional institutions into the activities of the Regional Programme. In addition to the co-financing of projects with AFESD discussed above (see para. 14), this took form in the use of such Arab intergovernmental organizations as the Arab Organization for Agricultural Development, the Arab Monetary Fund, and the Inter-Arab Investment Guarantee Corporation for the execution of important new projects.

28. At the same time preparatory work began in 1989 for the formal mid-term review of the Regional Programme for Arab States planned for November 1990. In this context, thorough and regular consultations were carried out in 1989 with the Economic and Social Commission for Western Asia (ESCWA), the Economic Commission for Africa (ECA), the Food and Agriculture Organization of the United Nations (FAO), the United Nations Industrial Development Organization (UNIDO), and the United Nations Conference on Trade and Development (UNCTAD), among other United Nations organizations. In addition, a sectoral study was undertaken in the field of trade, reflecting its growing importance for Arab countries as a possible priority for the regional programme. Likewise, as a follow-up to the recommendations of the regional environmental workshop in Malta, an evaluation of the projects in the Regional Programme relating to the environment was also carried out during 1989, the results of which will be an important input for the mid-term review.

V. REVIEW OF THE REGIONAL PROGRAMME FOR EUROPE

29. The Regional Programme for Europe was approved by the Governing Council on 20 February 1987 (decision 87/4). Thus 1989 represented its second full year of operation, and it was, in accordance with UNDP procedures, submitted to a formal mid-term review.

30. This review took place in Geneva in two stages: first, five sectoral task forces met in March 1989 to review all the projects in the programme. Their findings and recommendations then became important inputs to an intergovernmental consultative meeting held in July, attended by representatives of all 10 European IPF countries as well as by representatives of several non-IPF European countries, executing agencies and other international organizations.

31. The review found that implementation of the programme and its constituent projects was proceeding satisfactorily. The areas of environment, energy, and management advice and training were found to continue to be of high priority for the programme, with the participating countries urging the further concentration of the remaining resources in these areas. Another major finding of the review was that networking as a method for project implementation contributed significantly to building collective self-reliance at the regional level. The review therefore recommended an evaluation of networking as a means of promoting a principal role for the participating countries in implementing regional projects.

VI. REVIEW OF SELECTED COUNTRY AND REGIONAL PROJECTS

32. In 1989, 15 projects were the subject of in-depth external evaluations, and 187 tripartite reviews took place in RBASE. A brief account is provided below of country projects representative of major themes of RBASE assistance in its different subregions: post-harvest losses in least developed countries (LDCs); employment generation in middle-income countries; and technology in countries of Eastern Europe.

Establishment of a Post-Harvest Centre (PDY/86/003)

33. Agricultural production plays an important role in the economy of Democratic Yemen, employing nearly 40 per cent of the population. Perhaps even more so than the other LDCs of the region, Democratic Yemen faces a myriad of constraints to increased agricultural production, most notably its mountainous terrain, cyclical flooding followed by drought, and very limited areas of good soil. As only large-scale capital-intensive investment could increase the country's acreage of arable land, the Government has decided to increase agricultural output through a strategy of improved distribution, handling and storage of agricultural products.

34. During 1981-1986, losses of domestically produced and imported foods were estimated to be as high as 20 per cent for grains and 30 per cent for fruits and vegetables per year. In order to minimize such losses, UNDP is providing \$712,000 in technical assistance as a complement to a \$635,000 capital assistance grant provided by the Arab Gulf Programme for the United Nations Development Organizations (AGFUND) for the construction of a centre for the reduction of post-harvest losses. With the assistance of the project, which is executed by FAO, technical advice provided by the Centre over the past three years has helped reduce fruit and vegetable losses by almost 23 per cent, while virtually eliminating large-scale losses in grains. The project is noteworthy for its effective transfer of management responsibility to national staff.

35. Although the project was found to be well designed, an external evaluation and tripartite review conducted at the end of 1989 found that the budget had to be increased by 67 per cent from its initial allocation, indicating that greater attention must be paid at the formulation stage of projects to ensuring that the inputs are commensurate with the intended outputs and objectives, and that they are realistically costed.

Employment Promotion and Labour Force Policy (JOR/86/005)

36. Since 1982, the economic slow-down in the neighbouring oil-producing countries has led to substantial weakening in domestic and external demand for Jordanian skills and labour. At the same time, the increase in the Jordanian labour force has continued unabated as a result of high population growth rates and increased enrolment, particularly of women, in the formal sector. Hence, the manpower problem in Jordan is rapidly shifting from one of selective shortages that triggered a substantial inflow of non-Jordanian labour in the past to one of generating employment for a rapidly increasing work force, and particularly youth and the relatively uneducated poor.

37. To plan and implement comprehensive policies and programmes for the development and utilization of human resources, Jordan has established a Department of Employment and Human Resources Planning within the Ministry of Planning. A UNDP-funded project launched in 1988 is assisting the Department to develop and strengthen its capacities in critical areas, such as labour market data compilation and analysis, human resources development and employment promotion.

38. The project has already contributed to improving the coverage, regularity and availability of information on the labour force and employment opportunities. It is also helping to improve co-ordination between the administrative and substantive institutions concerned and to mobilize national capacities and expertise in the areas of data processing and policy-making. However, this project constitutes but one step in the overall process of national capacity-building. Accordingly, in the light of the country's current development trends, and taking into account the experience gained through the implementation of this project, it is expected that human resources development and employment promotion will constitute a major area of concentration in the next country programme for Jordan.

Industrial Energy Conservation Network (RER/83/003)

39. Increasing the conservation of energy is a major concern for both economic and environmental reasons for virtually all the countries of Europe. Through a network of regional institutions, each working on different aspects of energy conservation techniques, this UNDP-sponsored regional project has made an important contribution towards energy conservation in industry among the European IPF countries. In addition to helping to organize energy audit capacities in participating countries, the project also addresses environmental concerns and issues of waste and material recovery. The project is a good example of networking and receives a major contribution from a non-IPF country, Czechoslovakia, which provides the network lead centre.

40. The important energy savings which have resulted in European IPF countries have stimulated expressions of interest by Arab countries to participate in some of the project's activities, leading to a special Euro-Arab seminar being organized in 1990.

VII. SPECIAL THEMES IN THE PROGRAMME OF THE REGIONAL BUREAU FOR ARAB STATES AND EUROPE (RBASE)

Environment

41. Concern with the environment rapidly became the top thematic priority for RBASE in 1989 and will remain so into 1990. In addition to the workshop on the environment organized by RBASE in Malta discussed above (see para. 3), national environment workshops were held in 10 countries of the region in 1989, a number of which resulted in specific environmental action plans.

42. In Democratic Yemen the UNDP-sponsored workshop led to the revitalization of the National Council for Environment Protection, while in Tunisia the workshop

facilitated a number of follow-up initiatives culminating in UNDP being requested to co-sponsor a donor round table on the environment in the second half of 1990.

43. RBASE also sponsored a Euro-Arab workshop in Yugoslavia on the use of solar energy, resulting in the establishment of a network for exchange of information on photovoltaics. A number of other meetings have also been sponsored through RBASE projects on a variety of environmental topics, including the impact and control of toxic chemicals, protection of water resources, gas and fuel treatment for stationary emission sources in Europe, and seminars on biogas, renewable energy, and water resource management in the Arab States.

44. On the regional programme level, 30 per cent of all Arab regional projects and 40 per cent of European regional projects directly addressed environmental concerns in 1989. This emphasis will increase in 1990 as the Regional Programme for Arab States, in co-operation with the World Bank, the European Investment Bank and the European Economic Community (EEC), steps up its financing of the Mediterranean Environmental Technical Assistance Programme (METAP). This project will increase in a practical and meaningful way Euro-Arab linkages by assisting countries of the Mediterranean basin to accelerate the pace and deepen the impact of their environmental activities in such priority areas as water resource management, marine pollution, coastal zone management, and solid and hazardous waste management. This momentum will further increase in 1990 with the holding of an expert group meeting on the environment by RBASE, which will help to determine the priorities of the region both as a direct input into the mid-term review of the Regional Programme for Arab States and as a guide for future environmental programming initiatives in the next cycle.

45. In order to assist both country and regional programmes better to integrate the environment into ongoing activities and the preparations for the fifth cycle, RBASE took steps in 1989 to establish an environment projects data base of all ongoing and pipeline projects, as well as an environmental consultants' data base. Once finalized in mid-1990, the two data bases will assist programme preparations for the next cycle through information sharing on environment projects and consultants within the region.

Women in Development (WID)

46. As early as May 1989, UNDP/RBASE responded to the important economic and political changes which were beginning to develop in Eastern Europe by sponsoring a women in development seminar in Warsaw, hosted by the Government of Poland and co-sponsored by the Division for the Advancement of Women, United Nations Office at Vienna. Stemming from UNDP's commitment to networking within and across regions, participants came from Western Europe and the Arab region to share the debate with women from Eastern Europe about the impact of political and economic changes on women's work and family commitments.

47. Based on the recommendations of the RBASE Expert Group on Women in Development in the Arab Region which met in 1988, arrangements were made for a regional conference on Arab women's socio-economic roles, scheduled to be held in May 1990. Further to the expert group meeting, RBASE examined, with the United Nations

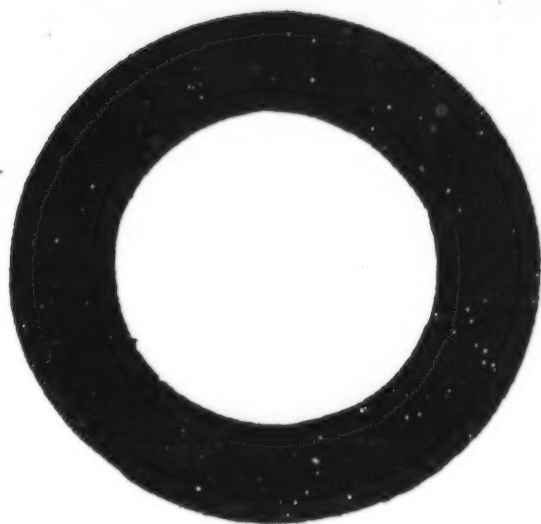
Population Fund (UNFPA) and AGFUND, the prospects for establishing a Research and Training Centre for Women, the Family and Development, which would be the first of its kind in the region. The three agencies and the International Planned Parenthood Foundation (IPPF) have now committed funds in principle to the project and hope in 1990 to locate a suitable site and director. Through such a centre RBASE would concentrate its energies and funds on developing a network of women's and family institutions and groups in individual countries, as well as on training women in business skills. To further women's economic opportunities, RBASE collaborated with the World Bank in a study on enhancing female employment in five Arab countries and Turkey.

Non-governmental organizations (NGOs)

48. In October 1989, RBASE co-sponsored with AGFUND, UNFPA and IPPF the first pan-Arab conference on NGOs. Some 350 people - many of them women - working in self-help and development organizations gathered in Cairo to discuss obstacles to the growth of the voluntary sector. Topics included the history of NGOs in four Arab subregions, the financing and formulation of development projects, experiences of NGOs in emergency situations, and lessons from the experience of NGOs in Africa, Asia and North America. The conference also reviewed favourably and recommended the establishment of a permanent network to link the NGOs active in development in the Arab region.

Role of the private sector in development

49. While workshops and other activities to promote dialogue between the public and private sectors continued to be organized by field offices in the region at the country level, a significant intercountry initiative was likewise launched in the region in 1989, culminating in the organization by RBASE of a workshop on "Enhancement of the Role of the Private Sector in Development" in Amman, Jordan, in September 1989. The workshop was preceded by considerable preparations, with UNDP consultants visiting the six participating countries (Cyprus, Egypt, Jordan, Tunisia, Turkey and Yemen) well in advance, and preparing for each of them a country-specific paper highlighting the issues critical to enhancing the role of the private sector in that country. The workshop was attended by over 40 representatives of the business and finance communities, and the Governments, of each of the countries, as well as by the UNDP resident representatives and consultants. It proved to be a highly appreciated forum for the cross-fertilization of experience among countries on enhancing the role of the private sector in development. A second such workshop is accordingly planned to take place in Hungary in July 1990.





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SUPPORT

PROGRAMME PLANNING

COUNTRY, INTERCOUNTRY AND GLOBAL PROGRAMMES

Implementation of selected country programmes

Asia and the Pacific

Report of the Administrator

SUMMARY

The present report is submitted in accordance with Governing Council decision 81/15 of 27 June 1981, in which the Council endorsed the Administrator's proposal to submit annual progress reports to the Council on the implementation of various country programmes, highlighting significant developments.

Information is provided on: (a) the major trends in the region, the financial performance of the programme and the various management actions to maintain the quality of programme and project performance and sustain the momentum of programme implementation; (b) the results of the mid-term reviews of the intercountry programme and the country programmes of Bangladesh, Bhutan, the Democratic People's Republic of Korea, Fiji, Mongolia, Myanmar, the Philippines, the Republic of Korea and Viet Nam; and (c) aid co-ordination activities undertaken in the region, including round tables, consultative groups and the role of field offices of the United Nations Development Programme (UNDP) in promoting aid co-ordination.

CONTENTS

	<u>Paragraphs</u>	<u>Page</u>
I. INTRODUCTION	1 - 3	3
II. SOCIO-ECONOMIC CONTEXT	4 - 7	3
III. THE PROGRAMME	8 - 16	4
A. Financial overview	8 - 13	4
B. Project appraisals	14 - 15	11
C. Special themes	16	11
IV. COUNTRY PROGRAMME PERFORMANCE	17 - 28	11
A. Bangladesh	17	11
B. Bhutan	18 - 19	11
C. Democratic People's Republic of Korea	20	13
D. Fiji	21	13
E. Mongolia	22	14
F. Myanmar	23 - 25	15
G. Philippines	26	15
H. Republic of Korea	27	16
I. Viet Nam	28	16
V. INTERCOUNTRY PROGRAMME	29 - 34	17
VI. AID CO-ORDINATION	35 - 40	18

I. INTRODUCTION

1. There are at present 31 country programmes of the United Nations Development Programme (UNDP) assistance in the Asia and Pacific region. Transcending and interlocking with these is an intercountry programme which, in addition to addressing region-wide concerns, also specifically meets subregional needs including those of the Association of South-East Asian Nations (ASEAN) and the South Pacific.

2. The systematic and timely review of country programmes and reporting to the Governing Council on the mid-term reviews continued to be vigorously pursued in 1989. As a result, during the past year 13 country programmes and the intercountry programme benefited from mid-term programme reviews. Additionally, nearly every country programme was subjected to annual review involving the reappraisal of programme objectives, an evaluation of the status of the programmes and the contributions of projects to them.

3. The present report covers nine of the larger country programmes and the intercountry programme, which underwent mid-term review during 1989. It includes Bangladesh (DP/1990/12/Add.2) and Bhutan (DP/1990/12/Add.3), which were the subject of a separate and more detailed presentation to the Governing Council in February 1990. Although similar detailed presentations on Myanmar (DP/1990/38/Add.2) and Viet Nam (DP/1990/38/Add.3) are being made separately to the Governing Council at its current session, these two countries are covered as well in this report. The remaining five countries are the Democratic People's Republic of Korea, Fiji, Mongolia, the Philippines and the Republic of Korea. The report also comments on the major trends, financial performance, aid co-ordination, and implementation modalities in this geographically large and diverse region encompassing countries of varying size and population, ranging from the small island economies of the Pacific to China and India.

II. SOCIO-ECONOMIC CONTEXT

4. Economic growth in the region remained at the relatively high level of 6 per cent in 1989. Although it is lower than the 9.1 per cent achieved in 1988, economic performance has been impressive compared to the world economy which, as pointed out in an Economic and Social Commission for Asia and the Pacific (ESCAP), "Review of economic performance and prospects of the developing Asian-Pacific region at the end of 1989", grew by 2.9 per cent. It was much higher than the 3.2 per cent growth rate registered by the industrialized countries and the rate of 3.7 per cent registered by all developing countries.

5. This impressive performance by countries in the Asia and Pacific region continued to stem mainly from the rapid rate of industrial and manufacturing growth, the consistent record of macro-economic stability, the ongoing internally-driven process of structural adjustment, low levels of fiscal and external debt, high rates of domestic saving, and improved conditions for foreign investment. However, much of the recent dynamic growth in manufacturing has come

from trade, which became an increasing stimulus in almost all of the region's developing countries, and the downturn in 1989 was mainly attributed to the deceleration of export growth.

6. The relatively favourable climatic conditions in 1989, the absence of severe drought in South Asia and the low incidence of catastrophic storms and flooding combined with the increased usage of high-yielding varieties contributed to the expansion of agricultural production. In a number of countries growth in agricultural production was impressive, as illustrated by the 20 per cent growth achieved in India over the past two years.

7. Contrasting with the dynamism of the Asian economies, however, there exists an increasingly obvious dichotomy where, according to ESCAP data, there are more than 500 million people struggling to survive on incomes that are below the poverty levels set for their respective countries. Whereas economic growth has reduced the rates of poverty in percentage terms, the continuing high rates of population growth in many countries have resulted in a rise in the absolute numbers of people falling below the poverty line.

III. THE PROGRAMME

A. Financial overview

8. The total indicative planning figure (IPF) resources available to the Asia and Pacific region for the fourth cycle are \$1.5 billion. Including the carry-over from the previous cycle, they also reflect the significant increase in IPF levels approved by the Governing Council on 1 July 1988 at its thirty-fifth session (decision 88/31).

9. These resources are complemented by cost-sharing, the Special Measures Fund for the Least Developed Countries (SMF/LDCs), and Special Programme Resources (SPR) funding. For 1989, it is estimated that cost-sharing contributions by recipient countries and third parties would amount to almost 6 per cent of total funds disbursed in the region. Estimated delivery in 1989 by source of funds is given in figure 1.

10. In mid-1989 there were about 2,200 country and regional projects ongoing in the region. The total expenditure from the IPF on these projects in 1989 is estimated at \$260 million. This represents an increase of 9 per cent over 1988, when UNDP assistance to the region reached \$239 million. IPF spending in the Asia and Pacific region since 1982 is represented in figure 2. The figure also includes the spending targets for 1990 and 1991.

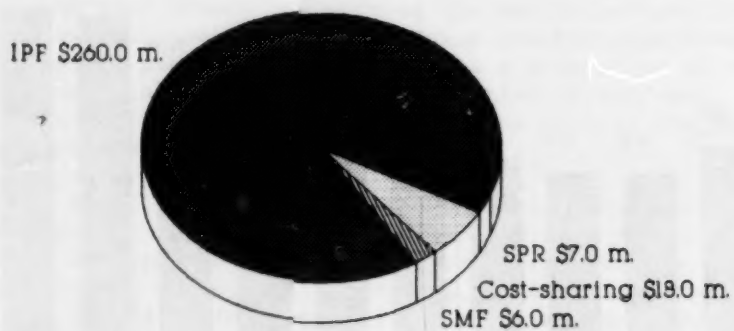


**Fig 1. Project spending by fund source,
estimate for 1989.**

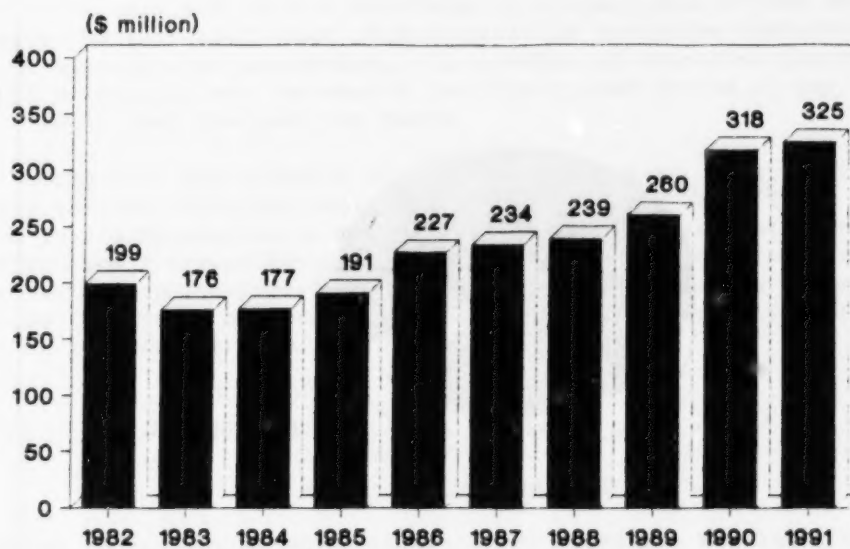


Fig 2. IPF project spending 1982-1988,
estimate for 1989 and targets 1990-1991.

11. The variegated needs and the breadth of the development priorities to which UNDP assistance responds in the region are represented in figure 3. As expected, figures for 1989 confirm past trends in the sectoral allocation of IPF resources with increased shares going to industry, and science and technology. The largest sectors were: (a) agriculture, forestry and fisheries; (b) industry; (c) natural resources; (d) general development issues, policy and planning; and (e) transport and communications.

12. Also significant is the distribution of IPF funds between expenditure components. Figure 4 illustrates the growing importance of training in UNDP assistance, largely achieved through the lowering of allocations for the equipment component. However in some countries, such as the People's Republic of China and India, expenditures on equipment retain relatively greater significance. While spending on expertise has been generally stable as a proportion of total funds, these aggregates conceal the ever-widening utilization of national, as opposed to foreign, expertise in UNDP technical co-operation, as well as the increasing use made of the United Nations Volunteers (UNV).

13. It is estimated that in 1989 expenditures on nationally executed projects amounted to 13 per cent of total delivery as compared with 11 per cent in the previous year. This is expected to increase more sharply in the second half of the fourth cycle with more new projects being chosen by Governments for national execution. From the United Nations system, the Food and Agriculture Organization of the United Nations (FAO), the United Nations Industrial Development Organization (UNIDO) and the Department of Technical Co-operation for Development (DTCD) of the United Nations Secretariat remain the principal executing agencies. These three agencies together execute approximately 42 per cent of the UNDP programme in the Asia and Pacific region. The Regional Bureau for Asia and the Pacific (RBAP) is actively encouraging the technical input of specialized agencies of the United Nations system in the formulation, implementation and monitoring of nationally executed projects. The distribution among executing agencies of the UNDP programme in Asia and the Pacific is represented in figure 5. As regards the intercountry programme, ESCAP remained the leading executing agency with an estimated project expenditure amounting to \$9 million or 21 per cent of the programme.

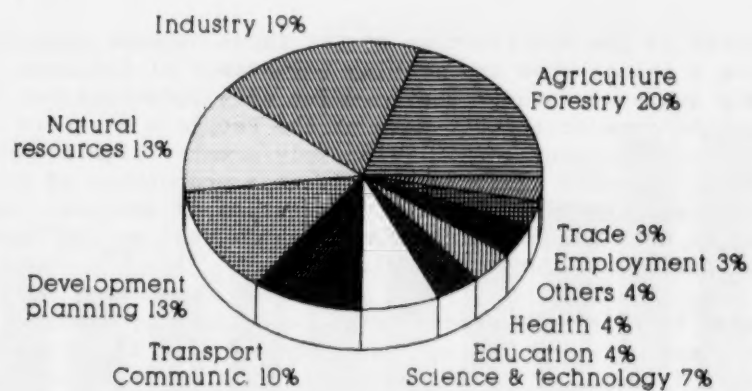


Fig 3. IPF spending by sector.
estimate for 1989.

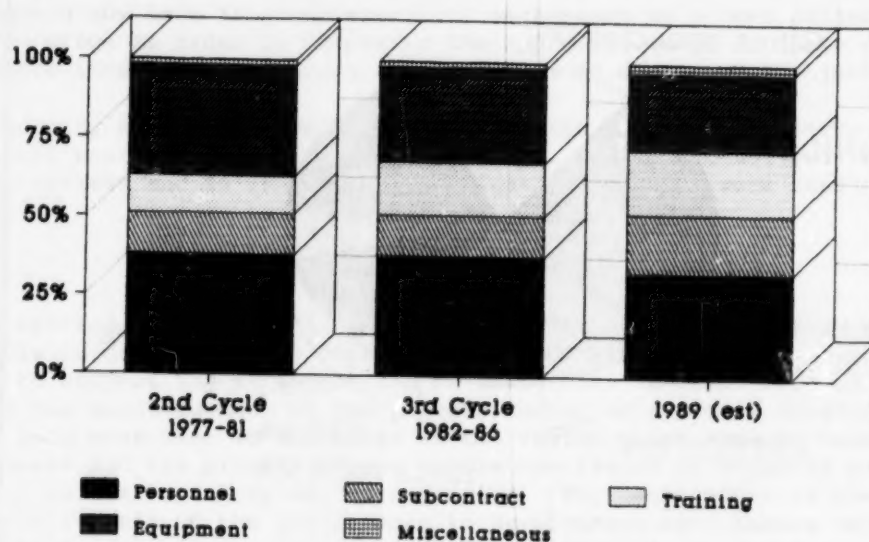


Fig 4. IPF spending by budget component.

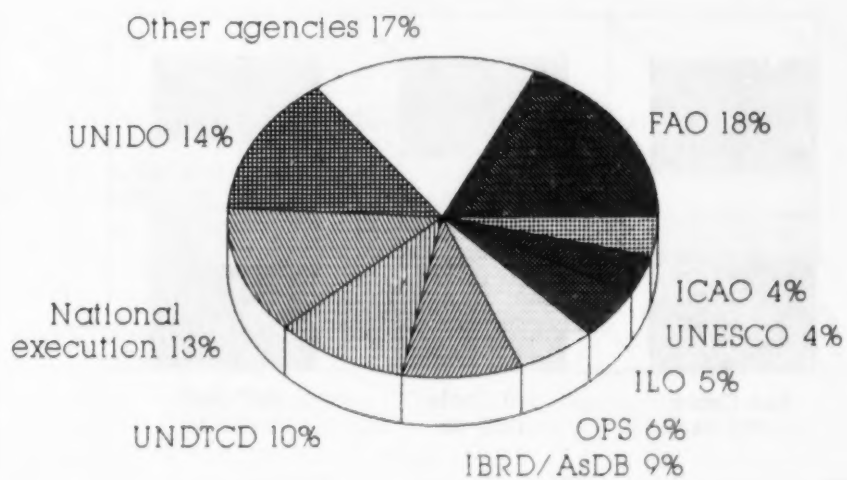


Fig 5. IPF spending by executing agency,
estimate for 1989.

B. Project appraisals

14. The appraisal of projects is being given much greater attention in the present cycle commensurate with the increase made in 1988 in the delegated authority of resident representatives to approve projects. All 23 UNDP offices in the Asia and Pacific region now have adequate appraisal mechanisms to screen projects at the formulation stage in order to determine the appropriateness of their design, as well as their internal consistency and relevance to development objectives.

15. The quality of project implementation and the impact of projects on the developmental process are of continuing concern, and during the year more than 500 tripartite reviews and 80 in-depth evaluations of projects were conducted.

C. Special themes

16. Some special themes have assumed increased importance in recent years. Women's role in development is being actively promoted and funds have been earmarked to support the strengthening of this role. Another area of emphasis relates to the encouragement of the private sector in national development. In 1989 UNDP held more than 40 workshops in the region which brought together members of Governments and the private sector to discuss issues relating to private sector development in their country and/or subregion. The degradation of the environment and the relationship of the environment to development have become major concerns to industrialized countries and developing countries alike, and during the past year UNDP has been gearing up to play a more active role in this important field; five UNDP-sponsored environmental workshops were held at the national level during 1989 and the goal is to hold 20 in 1990. Plans were made jointly with ESCAP and the Asian Development Bank for a ministerial-level meeting on the environment in 1990. The need to improve economic management and the management of development has been highlighted as a most important area requiring strengthening, and during 1989 major efforts were under way to identify and formulate management development programmes in many countries of the region.

IV. COUNTRY PROGRAMME PERFORMANCE

A. Bangladesh

17. The fourth country programme for Bangladesh has as its principal thrust support to the Government's overall objective of poverty alleviation, which is to be pursued through five main themes, namely: (a) higher productivity in agriculture; (b) consolidation and expansion of the industrial base; (c) development of human resources; (d) improvement of physical infrastructure; and (e) improvement of management of public policy and the economy. The mid-term review of the fourth country programme established that in spite of the disastrous floods of 1987 and 1988, satisfactory performance in terms of programme implementation and output had been achieved. While the original themes of the country programme remained relevant, further attention needed to be given to the issues of non-governmental organizations (NGOs), women, the private sector and the

environment. The review also noted that attention should be paid to the following: first, the designation of national project directors for each project and the provision of training in project design and management; secondly, provision of adequate counterpart staff; thirdly, careful review of the qualifications and experience of candidates for expatriate expert posts; and fourthly, acceleration of the approval of pipeline projects. The mid-term review report contains a total of 124 recommendations, a number of which are of direct relevance to the formulation of the next country programme, demonstrating that one of the chief benefits of the review exercise was that it provided a sound basis for forward planning. Prominent among these is the recommendation that to increase impact and streamline management, efforts should be made to reduce the number and increase the size of projects. Regarding the execution of projects, the modality of national execution should continue to be pursued. Support to investment programmes of the Asian Development Bank and the World Bank should also continue to focus on policy initiatives, feasibility studies and institutional support rather than on project preparation and supervision. The review also noted that the Study for Evaluation and Improvement of Technical Assistance in Bangladesh (SEITAB), to be conducted during 1990, would be a valuable supplement to the completed studies on project and commodity aid and would enable the Government and donors to review issues of concern to them in the use of technical assistance.

B. Bhutan

18. The fourth country programme for Bhutan covers the six-year period 1986-1991 and originally included IPF resources of \$US 25 million. In accordance with the country's main constraint to development, which is a shortage of trained manpower, the main thrust of the Government's development efforts and the country programme was on human resources development with 35 per cent of the available resources programmed for that purpose. Other significant themes included development of the country's infrastructure, the strengthening of governmental institutions and the inventory and rational exploitation of the country's natural resources. The mid-term review of the country programme was conducted in June 1989. The review included participation by the Planning Commission as the co-ordinating body for external assistance, and the National Civil Service Commission, which is the focal point in the Government for human resources development. The review found that the sectoral allocations were practically the same as set out in the country programme document and that these sectoral focuses remained relevant to the Government's development priorities. At the time of the review, 39 of the original 48 projects were either under implementation or were being formulated. With the release of the supplementary IPF amounting to \$5.2 million, the total IPF resources for the 1986-1991 period came to \$30.2 million. During the mid-term review 16 new projects with budgets totalling \$18.9 million were approved for inclusion in the country programme in accordance with government priorities. However, the mid-term review noted with concern that available resources were fully committed while several priority needs remained unfulfilled. At the request of the Government, the Resident Representative subsequently visited several foreign missions in New Delhi to explore their interest in providing cost-sharing contributions towards meeting these needs.

19. Over the past three years the Resident Representative of UNDP in Bhutan, in conjunction with the Government, has made a concerted effort to reduce the number of projects operating in the country by the clustering of activities which were of a similar nature. Between 1987 and 1990 he has been successful in reducing the number of ongoing and active pipeline projects from 53 to 27. This was done to reduce the management work-load of the UNDP office and, more importantly, the Government, and in the belief that larger concerted efforts in a sector would have more impact than a group of smaller projects operating in isolation. It was agreed that the optimum number of projects operating at any given time should be of the order of the current level of around 20.

C. Democratic People's Republic of Korea

20. The mid-term review found that the second country programme for the Democratic People's Republic of Korea (1987-1991) effectively addressed the areas of concentration, namely: (a) increased agricultural productivity; (b) improved efficiency and quality of industrial development; and (c) increased export earnings. Out of the total IPF resources available for implementation of the second country programme of \$19.73 million, approximately \$13.8 million had been committed to approved projects. A further \$3.3 million had been earmarked in support of new projects, leaving \$2.6 million available for programming. The transportation, telecommunications and energy sectors were identified as emerging areas deserving attention. The mid-term review found that during the second country programme better cohesion and co-operation were achieved between the four parties involved in project implementation (the government co-ordinating agency, the executing agency, UNDP and the project-implementing agency). It was felt, however, that greater attention should be paid to project preparation and backstopping on the part of agencies of the United Nations system, including the mounting of project formulation missions and the planning of project activities. It was noted that the Government faced problems in organising participation of nationals in training programmes outside of the country and that equipment was often supplied late due to transportation problems. It was noted that during the second country programme, the role of national project directors had become more firmly established.

D. Fiji

21. The fourth country programme for Fiji (covering the period 1986-1990), approved by the Governing Council in June 1985 (decision 85/18), underwent a mid-term review in July 1989. At that time the Government stated that the country programme had been of great benefit to the development of Fiji, and that all the sectors earmarked had received assistance and in some cases the sectoral targets had been exceeded. However, several factors had changed since the fourth country programme was prepared. First, the fourth cycle (1987-1991) IPF allocations were increased. Second, several projects which had been approved during the third cycle were extended. Third, the Government's preference for short-term consultants changed and requests for longer-term experts and advisers became more prominent. In several cases, the Government requested technical assistance for line positions

as an emergency measure to fill staff shortages. In addition, the withdrawal of some other donors led the Government to decide that UNDP should take up certain projects that had been bilaterally funded. In summary, the review found that the agriculture, forestry, fisheries and physical infrastructure sectors had exceeded their target levels. The lack of UNDP assistance in the social development and health sector had been compensated for by three regional projects covering Primary Health Care (RAS/86/065); Co-operative Programme in Educational Publishing in the Pacific (RAS/88/028); and Water Resources Assessment and Planning in the Pacific (RAS/87/009). The mid-term review also established a base for preparation of the fifth country programme for Fiji and the scheduling of Fiji's first round-table meeting in May 1990, which is to bring together donors to discuss the country's development plans and assistance needs and to make pledges of assistance to meet these needs.

E. Mongolia

22. The mid-term review of the fourth country programme for Mongolia (1987-1991), held at Ulaanbaatar in May 1989, found that the Government's twin priorities for United Nations technical assistance as laid down in the country programmes document - (a) development of agriculture through increased livestock production; and (b) improvement of industrial capacities to utilize better the country's natural resources - were found to be still valid and relevant. There had been no major social, economic or political changes in the country since the approval of the country programme. However, in order to encourage and attract investment and earnings as well as technology and to reach markets in a wider international arena, the Government had taken an important decision to seek greater involvement and economic co-operation with a larger number of countries beyond its traditional trading and economic partners from among the centrally planned economies. The Government had also started decentralizing management of public sector undertakings. It was seeking to liberalize its system to provide more autonomy to these institutions to negotiate directly with overseas firms. Under these emergent circumstances, the Government sought to obtain UNDP assistance for diagnosing its management improvement needs under the Management Development Programme (MDP). The ensuing formulation missions led to a project of support to management training at the Institute of Administrative and Management Development (IAMD) with \$300,000 from the IPF and \$1.4 million from MDP. The project is to strengthen the research, training and advisory capacities of IAMD in economic management, international business management, enterprise management and public administration so that it can be an effective tool in carrying out its administrative and economic reform programmes. The project will incorporate twinning arrangements with several institutions overseas to provide a mechanism to implement the project in a co-ordinated manner ensuring quality and initiating long-term linkages abroad. The Government views MDP as an opener to a new dimension in UNDP co-operation in Mongolia and hopes that it will play a catalytic role in attracting additional donor support, especially for the training of Mongolian officials.

F. Myanmar

23. The mid-term review of the fifth country programme for Myanmar was undertaken in November 1989. Participants in the review included, in addition to the staff concerned of the Government and UNDP, representatives of other organizations and programmes of the United Nations system (FAO, the International Labour Organisation (ILO), the International Telecommunication Union (ITU), the United Nations Children's Fund (UNICEF), the United Nations Fund for Drug Abuse Control (UNFDAC), the United Nations Population Fund (UNFPA), DTCB, the World Health Organization (WHO) and the World Bank) as well as a number of the major bilateral donors (Australia, the Federal Republic of Germany, Japan, the United Kingdom of Great Britain and Northern Ireland and the United States of America).

24. Four main factors affected the outcome of the review: (a) the development needs associated with the country's declared economic policies and the transformation from a centrally planned and managed economy to a more decentralized, market-oriented economy; (b) the disruption of programme implementation which occurred in 1988 and 1989; (c) the extensive exercise undertaken by UNDP and agencies of the United Nations system working in co-operation with the Government to identify the new technical assistance needs and priorities which would facilitate the transformation from a centrally planned to a market-oriented economy, including seven sectoral reviews; and (d) the additional resources available to Myanmar in connection with its designation as an LDC, including those of the SMF/LDCs and the United Nations Capital Development Fund (UNCDF). Available IPF resources rose to \$89.3 million and total UNDP-administered resources to \$119.4 million.

25. Of the IPF resources, only about one third (an estimated \$28.9 million) was spent and \$51.1 million committed as of November 1989, leaving a balance of \$60.4 million unexpended and \$38.2 million uncommitted during the present IPF period. This financial position and the urgent needs of the Government with respect to the changes in national economic policy resulted in the identification of 67 new high-priority projects for funding in the current country programme and the next one. The changes in economic policy have generated new needs in the public and private management of services and enterprises, and project proposals were being developed in these fields.

G. Philippines

26. The fourth country programme for the Philippines was approved in 1986 for the period 1987-1991 on the understanding that adjustments would be made to respond to the changing priorities of the new Government. The programme contained four sectoral thrusts, namely: agricultural development; industrial development; energy conservation and development; and improved planning and management of development at the national and sub-national levels. The mid-term review was carried out over two days in September 1989. Representatives of agencies of the United Nations system, including the World Food Programme (WFP), UNICEF, FAO, ILO, WHO, UNIDO and UNFPA, attended as well as a representative of UNDP headquarters. The results were: (a) a confirmation of the changes which had been taking place in the project

mix compared to that planned over the period 1987-1989; and (b) a reorientation of programme thrusts to reflect current government priorities (i.e., the general and regional development sector rose from 30 per cent of the programme to 44 per cent). The new priorities - poverty alleviation, sustainable development and growth with equity - are also expected to be highlighted in the fifth country programme. An increasing number of projects (currently 18) are under national execution. NGOs are becoming increasingly associated with programme implementation through contracting arrangements and parallel participation in project implementation. The private sector is benefiting through assistance for improving the policy environment, dissemination of information on investment potentials and promotion of exports. Furthermore, some applied research supported by UNDP has drawn interest from private investors.

H. Republic of Korea

27. In connection with the Government's Sixth Five-Year Plan, which focused on the further strengthening of the Republic of Korea's growth potential, the UNDP fourth country programme (1987-1991), approved by the Governing Council on 18 June 1987 (decision 87/27), reflected the following development priorities: (a) support to the industrial sector, particularly small- and medium-scale industries; (b) strengthening of the country's science and technology base; (c) human resources development; and (d) environmental management and protection. The total resources available for programming came to \$13.8 million. The mid-term review found that the programme's objectives and main orientation were still relevant to the country's needs and that approximately \$12 million of the IPF was programmed in ongoing projects. A few minor problems had been encountered in the programme's implementation. Where projects supported sophisticated research and development activities, some United Nations executing agencies were increasingly facing problems in providing consultants and fellowship posts at the required level of sophistication. Agency execution using a government-appointed national director to manage the project was becoming a standard way of executing projects. At the time of the review, four projects had been approved for national execution and one such project was under preparation. In addition, the Government expressed the intention to reinforce the technical co-operation among developing countries (TCDC) component of the programme for the benefit of other developing countries, especially in Asia and the Pacific.

I. Viet Nam

28. The mid-term review of the third country programme for Viet Nam was held over a period of one week in November 1989. As over half of the total technical assistance provided to Viet Nam comes from organizations of the United Nations system and since UNDP was the major United Nations organization providing multi-sectoral assistance to the country, agreement was reached between all parties concerned whereby the programmes of other major organizations and programmes of the United Nations system represented in the country (i.e., UNICEF, WFP and UNFPA) were also reviewed during the same week as the UNDP programme. The important advantage of this approach was that it provided a better understanding of the concerns

addressed through the programmes assisted by various United Nations organizations and, by observing their complementarity, would bring about improved co-ordination. The review was conducted in three stages. First, the status of individual projects was discussed between the Government and its implementing agencies; secondly, the project issues identified during these discussions were reviewed between the Government and the agencies of the United Nations system based on the background papers prepared by the respective agencies; and, finally, a formal review meeting was organized where the programme of each agency was discussed separately followed by a round-up meeting to discuss and adopt the conclusions and recommendations. The final review meeting was attended by representatives of the central Government, its implementing agencies, field offices of agencies of the United Nations system, and missions from the headquarters of FAO, UNIDO, DTCD, the International Civil Aviation Organization (ICAO), the United Nations Educational, Scientific and Cultural Organisation (UNESCO), and ILO. Representatives of resident missions of major bilateral donors were also invited to attend the meeting as observers. The mid-term review found that programme implementation had in general followed its planned focus and responded appropriately and flexibly to the Government's current economic reforms adopted in December 1986. There have been no deviations from the goals and targets of the original country programme although there have been additions to it in terms of a stronger emphasis on macro-economic policy and on the promotion of investment.

V. INTERCOUNTRY PROGRAMME

29. In 1989, the third year of the fourth intercountry programming cycle, budgeted approvals reached \$62.2 million for the year. This represented a quarter of the total IPF resources of \$245 million allocated to the programme in this cycle. The UNDP contribution was matched by increased cost-sharing from participating Governments and co-financing from donor sources. Delivery in 1988 amounted to \$38.8 million, rising to an estimated \$46.6 million in 1989. In the second half of the cycle, project implementation is expected to accelerate.

30. As of March 1990, there were 381 ongoing projects and 29 pipeline projects. Project commitments reached \$195 million, with approximately \$36 million to process in pipeline projects. The intercountry programme themes of human resources development and technology transfer are evident in the large numbers of training and demonstration projects on new technologies. In sectoral terms, the transport and communications sector, in keeping with the priorities set by the Transport and Communications Decade for Asia and the Pacific, comprises the largest share (24 per cent) of the programme, followed by natural resources and agriculture. A recent survey of UNDP-financed intercountry programme and country projects indicated that the regional programme's share of the total for environmental projects under implementation in the region was the largest with \$37 million in forestry, pollution control and other environment-related areas.

31. Within the intercountry programme nearly one third of the resources is allocated to designated groups of countries: the major subregions of the South Pacific (SOPAC) and ASEAN, and to the LDCs. Total resources for the SOPAC subregional component of the intercountry programme are approximately \$35 million, slightly above the total of all individual SOPAC country IPFs. The allocation for

the ASEAN component now stands at \$12.7 million. The LDC component (for Afghanistan, Bangladesh, Bhutan, Lao People's Democratic Republic, Maldives, Myanmar, Nepal, Samoa and Vanuatu) also received approximately the same amount. In addition, the countries in these groups also benefited from their participation in region-wide projects.

32. There is increasing recognition that linkages between national and regional projects are important for better co-ordination and combined impact; efforts are being made by UNDP to highlight such linkages. Last year an analysis of linkages was undertaken and it now forms part of the Intercountry Programme Management Plan (ICPMP). The plan also shows where each project is located; this facilitates a continuing review of project site dispersion efforts.

33. The Fourth Meeting of Aid Co-ordinators, held in March 1989 and organized for the purpose of conducting a mid-term review of the fourth intercountry programme, also programmed \$45 million covering 65 projects. In preparation for the fifth intercountry programme, a high-level meeting of some of the prominent development thinkers of the region will be convened in May 1990. The conclusions of this meeting will provide the basis for the ensuing formulation process for the next cycle based on consultations UNDP holds with the Governments and UNDP field offices of the region.

34. In 1989, the Regional Bureau for Asia and the Pacific also organized two subregional seminars on the private sector in Manila and Seoul, in May and September 1989, respectively. In November, an Expert Group Meeting on the Environment was held at ESCAP under the auspices of a UNDP regional project on environmentally sound and sustainable development. A meeting was also organized for ASEAN on project monitoring in Jakarta in December.

VI. AID CO-ORDINATION

35. In recent years UNDP has played an active role in aid co-ordination activities in the region, primarily at the request of recipient countries. Aid co-ordination activities undertaken by UNDP field offices and by headquarters are of a varied nature and take place at several levels. Apart from the high-profile activities such as consultative groups and round-table meetings, there are many other aid co-ordination activities in which the field offices are involved. In recent years, various forms of local consultation groups on aid issues have emerged. The country programming exercises and the country programmes themselves have been utilized to promote aid co-ordination. The field offices also have assisted in promoting both formal and informal linkages among donors, especially at a sector and sub-sectoral level. The various activities of UNDP in the region have been described in a recent paper by RBAP entitled "UNDP and aid co-ordination in Asia and the Pacific".

36. Round tables. In 1989, round tables were held for the Lao People's Democratic Republic and Maldives. The round tables have now developed a structured pattern which enables donors and the recipient countries to engage in a policy dialogue both at the meeting itself and in the follow-up process. The Lao People's Democratic Republic round table had a special significance in that it came at a

time when the Government was involved in changing the direction of its centrally planned economy towards more market-oriented principles. The round table provided the opportunity for the Government to explain to the donor community its new economic policies, especially with regard to the more extensive role for the private sector and the opportunities afforded to foreign investment. The round table, apart from the extensive policy dialogue, led to highly satisfactory donor commitments for the implementation of the country's development programmes. The Maldives round table was also the forum for an extensive exchange of views on the country's economic policies, in addition to the commitment by donors of continued flows of development assistance. The environment was highlighted in view of its particular significance to the Maldives. For both these meetings, UNDP assisted the Government in preparing extensive background documentation analysing the Government's economic and development policies, development assistance requirements, and problems of aid management.

37. Consultative groups. In the context of the agreement with the World Bank, UNDP has undertaken a more substantive role, both in the preparatory process and at the meetings of consultative groups themselves. UNDP has provided assistance in the preparation of several studies of concern to consultative group meetings and, at the meetings themselves, the statements of resident representatives have focused on specific issues related to technical assistance. The Impact of Foreign Aid study in Pakistan is illustrative of the studies undertaken in the consultative group context. The objective of more extensive involvement by UNDP in the consultative group process is to utilize technical assistance in undertaking analytical studies critical to a country's development process.

38. Local co-ordination groups. In many countries in the region, both formal and informal co-ordination has emerged in recent years. This has been in response to the distinctly felt need for a forum where donor agencies can collectively discuss aid implementation and management issues with Governments. In countries such as Nepal, UNDP with the full support of the Government has helped in organizing these local consultation arrangements. In countries such as the Lao People's Democratic Republic, the field office has facilitated local-level consultations between donors and the Government as follow-up to the round-table meetings. In Bangladesh, UNDP has been co-ordinating the work of the Inter-agency Working Group on Disasters and has also undertaken studies on commodity and project aid to assist discussions at the local level. Experience has shown that these groups do make an important practical contribution to aid co-ordination.

39. Country programmes in aid co-ordination. It has been found through experience that a country programme can act as a catalyst to promote linkages among donor activities at project and programme levels. Facilitating aid co-ordination through the country programme takes many forms. First, it is in the very act of preparation of the country programme itself. In Indonesia and India, several sectoral reviews were undertaken which identified an extensive range of technical assistance requirements to be taken up by donors. In Myanmar, preceding the mid-term review process, at least eight sectoral reviews were undertaken to identify the priority technical assistance requirements in the context of the new economic policies of the Government. Secondly, UNDP has continued to assist the strengthening of those central institutions of government dealing with aid

management, thereby making possible more effective co-ordination of development assistance. Thirdly, country programmes can be used to facilitate a programme-oriented approach in dealing with the full range of requirements in a sector or subsector. Fourthly, country programmes have been extensively involved with pre-investment activities which often lead to capital investments by a range of donors. Fifthly, country programmes have actively promoted co-financing and complementary financing arrangements with other donors.

40. The UNDP field office in aid co-ordination. The 23 UNDP field offices of the region have all played, in varying degree, an active role in promoting aid co-ordination through various forms of practical assistance to donors. First, the field offices have continued to publish the annual development co-operation reports (DCRs). These reports have now been streamlined and in several countries computerized data bases facilitate their preparation. The current set of DCRs in the region contain in total an inventory of over 10,000 projects, classified by donor, Administrative Committee on Co-ordination (ACC) sector and type of assistance. The DCR performs the function of an information tool for the donor community. Secondly, UNDP field offices and the UNDP Resident Representative in the role of Resident Co-ordinator have facilitated increased collaboration among agencies of the United Nations system. Thirdly, field offices have offered their services to multilateral and bilateral donor agencies in facilitating the formulation and execution of their assistance programmes. Whenever multilateral financial agencies do not have their own representatives in the field, the UNDP field office has facilitated their work in the country concerned. Fourthly, the field offices have responded to NGO needs to co-ordinate their work in related fields with other NGOs, UNDP donor agencies and agencies of government primarily through the exchange of information. Fifthly, the UNDP field offices in various countries have played a key role in times of emergency and disaster.
